UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina Khan, Chair**
Noah Joshua Phillips
Rebecca Kelly Slaughter
Christine S. Wilson

In the Matter of **Lifespan Corporation,** **a corporation** **and** **Care New England Health System,** **a corporation.**	**Docket No. 9406** **REDACTED PUBLIC VERSION**

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act ("FTC Act"), and by virtue of the authority vested in it by the FTC Act, the Federal Trade Commission ("Commission"), having reason to believe that Respondents Lifespan Corporation ("Lifespan") and Care New England Health System ("CNE") have executed a definitive agreement in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, which if consummated would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint pursuant to Section 5(b) of the FTC Act, 15 U.S.C. § 45(b), and Section 11(b) of the Clayton Act, 15 U.S.C. § 21(b), stating its charges as follows:

I.

NATURE OF THE CASE

1. Lifespan and CNE, the first and second largest healthcare providers in the state of Rhode Island, seek to merge (the "Proposed Transaction"). Lifespan's and CNE's inpatient GAC hospitals overlap significantly in the medical, surgical, and diagnostic services they offer that require an overnight hospital stay. These overlapping services account for the majority of inpatients the Respondents treat. Further, Lifespan and CNE operate the only two standalone inpatient behavioral health facilities in Rhode Island.

2. The Proposed Transaction is likely to substantially lessen competition in Rhode Island for inpatient general acute care ("GAC") hospital services sold and provided to commercial insurers and their members ("inpatient GAC hospital services") and inpatient behavioral health services sold and provided to commercial insurers and their members ("inpatient behavioral health services") in violation of Section 7 of the Clayton Act.

3. Currently, Lifespan and CNE are close competitors and frequently refer to each other with terms like [redacted]" and [redacted]" or "[redacted]" both internally and to third parties.

4. Respondents compete to sell inpatient GAC services and inpatient behavioral health services to commercial insurers and to provide these services to commercial insurers' members. This competition has spurred Respondents to invest in clinical services, access, and quality, to the benefit of all Rhode Island residents. CNE has added services at its Kent hospital, noting they would "[redacted]" Similarly, Lifespan has improved access because [redacted]

5. The Proposed Transaction would eliminate this competition and create a dominant health system controlling most inpatient GAC services and inpatient behavioral health services in Rhode Island. If this merger is allowed to proceed, Respondents would control at least 70 percent of the markets for inpatient GAC hospital services and inpatient behavioral health services.

6. If allowed to consummate, the Proposed Transaction would significantly increase market concentration in already highly concentrated markets. Under the thresholds established by the 2010 U.S. Department of Justice and Federal Trade Commission Horizontal Merger Guidelines ("2010 Merger Guidelines"), the Proposed Transaction is presumptively illegal in the markets for inpatient GAC services and inpatient behavioral health services in Rhode Island. Even including hospitals located in the 19 Massachusetts towns bordering Rhode Island, Respondents would still exceed the 2010 Merger Guidelines thresholds in each market; therefore, the Proposed Transaction is presumptively illegal.

II.

JURISDICTION

7. Respondents, and each of their relevant operating entities and parent entities are, and at all relevant times have been, engaged in commerce or in activities affecting "commerce" as defined in Section 4 of the FTC Act, 15 U.S.C. § 44, and Section 1 of the Clayton Act, 15 U.S.C. § 12.

8. The Proposed Transaction constitutes a transaction subject to Section 7 of the Clayton Act, 15 U.S.C § 18.

III.

RESPONDENTS

9. Respondent Lifespan, the largest healthcare provider in Rhode Island based on inpatient GAC admissions, is a not-for-profit health system with a principal place of business in Providence, Rhode Island. Lifespan operates three inpatient GAC hospitals, Rhode Island's only dedicated children's hospital, and a freestanding behavioral health hospital. Lifespan's Rhode Island Hospital is the largest hospital in the state and is located in downtown Providence, Rhode Island and shares a campus with Lifespan-owned Hasbro Children's Hospital and CNE-owned Women & Infants Hospital. In addition to these facilities, Lifespan operates two other GAC hospitals in Rhode Island – The Miriam Hospital ("Miriam") on the East Side of Providence and Newport Hospital ("Newport") in Newport. Lifespan's behavioral health hospital ("Bradley") is located in East Providence, Rhode Island. Lifespan has 1,165 licensed beds across all its locations. Lifespan employs or affiliates with over 900 primary and specialty care physicians. Through a for-profit joint venture, Lifespan operates the Lifespan Health Alliance, an accountable care organization ("ACO") comprised of the three Lifespan hospitals and approximately 2,100 physicians. Lifespan is the largest private employer in Rhode Island with nearly 16,000 employees, including approximately 3,370 registered nurses. In fiscal year 2021, Lifespan generated approximately $2.8 billion in revenue and approximately $89.1 million in operating income.

10. Respondent CNE is a not-for-profit community-based health system made up of two inpatient GAC hospitals and a freestanding behavioral health hospital. CNE's principal place of business is in Providence, Rhode Island. CNE's Women & Infants GAC hospital and CNE's behavioral health hospital, Butler Hospital ("Butler"), are located in downtown Providence and the East Side of Providence, respectively. CNE's Kent County Hospital ("Kent") is the second-largest GAC hospital in Rhode Island and is located in Warwick. CNE has 749 licensed beds across all its locations. CNE employs approximately 442 healthcare providers and, through its ACO, Integra, CNE closely affiliates with an additional 240 primary care providers. CNE employs approximately 1,950 registered nurses. In fiscal year 2021, CNE garnered approximately $1.25 billion in revenue and approximately $16.2 million in operating income.

IV.

THE PROPOSED TRANSACTION

11. On February 23, 2021, Lifespan and CNE signed an agreement to combine into a new Rhode Island nonprofit corporation.

12. Pursuant to the Hart-Scott-Rodino Antitrust Improvements Act, 15 U.S.C. § 18a, and a modified timing agreement entered into between Respondents and Commission staff, absent this Court's action, Respondents would be free under federal law to close the Proposed Transaction after 11:59 p.m. EST on February 22, 2022.

V.

RELEVANT SERVICE MARKETS

13. The Proposed Transaction is likely to substantially lessen competition in two service markets sold and provided to commercial insurers and their members in Rhode Island: (1) inpatient GAC hospital services; and (2) inpatient behavioral health services (collectively "Healthcare Service Markets"). Hospitals compete on rates offered to commercial insurers to achieve "in-network" status. For each Healthcare Service Market, a hypothetical monopolist profitably could impose a small but significant and non-transitory increase in price ("SSNIP"). Because commercial insurers would accept a SSNIP rather than market a network to employers and individuals that omitted inpatient GAC hospital services and would accept a SSNIP rather than market a network that omitted inpatient behavioral health services, each of these Healthcare Service Markets constitutes a relevant market for analyzing the Proposed Transaction.

14. Inpatient GAC hospital services sold and provided to commercial insurers and their members is a relevant market in which to analyze the Proposed Transaction. Inpatient GAC hospital services include a broad cluster of hospital services—medical, surgical, and diagnostic services requiring an overnight hospital stay—offered by both Lifespan and CNE and for which competitive conditions are substantially similar. Here, inpatient GAC hospital services include all overlapping inpatient primary, secondary, and tertiary services offered by Lifespan and CNE. Non-overlapping services are not included in the relevant market.

15. Although the Proposed Transaction's likely effect on competition could be analyzed separately for each individual inpatient GAC hospital service, it is appropriate to evaluate the Proposed Transaction's likely effects across this cluster of inpatient GAC hospital services because these services are offered to patients under similar competitive conditions. Thus, grouping the hundreds of individual, overlapping inpatient GAC hospital services into a cluster for analytical convenience enables the efficient evaluation of competitive effects without forfeiting the accuracy of the overall analysis.

16. Outpatient services are not included in the inpatient GAC hospital services market because commercial insurers and patients cannot substitute outpatient services for inpatient services in response to a price increase for inpatient GAC hospital services. Additionally, outpatient services are offered by a different set of competitors under different competitive conditions than inpatient GAC hospital services.

17. The inpatient GAC hospital services market does not include services related to psychiatric care, substance abuse, or rehabilitation services. These services are offered by a different set of competitors under different competitive conditions than inpatient GAC hospital services.

18. Inpatient behavioral health services sold and provided to commercial insurers and their members is a relevant market in which to analyze the Proposed Transaction. Inpatient

behavioral health services include a cluster of inpatient services that treat, among other conditions, depressive disorders, personality disorders, and eating disorders, offered by both Lifespan and CNE and for which competitive conditions are substantially similar. Further, narrower relevant markets may exist for: (1) inpatient behavioral health services for adults sold and provided to commercial insurers and their members; and (2) inpatient behavioral health services for adolescents sold and provided to commercial insurers and their members.

19. Although the Proposed Transaction's likely effect on competition could be analyzed separately for each individual inpatient behavioral health service, it is appropriate to evaluate the Proposed Transaction's likely effects across the cluster of inpatient behavioral health services because treatment services across different disorders are offered to patients under similar competitive conditions. Thus, grouping these inpatient behavioral health services into a cluster for analytical convenience enables the efficient evaluation of competitive effects without forfeiting the accuracy of the overall analysis.

20. Partial hospitalization behavioral health programs and intensive outpatient behavioral health programs are not included in the inpatient behavioral health services market because they do not provide the same level of treatment intensity; thus, commercial insurers and patients cannot substitute these services for inpatient behavioral health services in response to a SSNIP for inpatient behavioral health services. Additionally, partial hospitalization behavioral health programs and intensive outpatient behavioral health programs are offered by a different set of competitors under different competitive conditions than inpatient behavioral health services.

VI.

RELEVANT GEOGRAPHIC MARKETS

21. For each Healthcare Service Market alleged above, a relevant geographic market in which to analyze the effects of the Proposed Transaction is Rhode Island.

22. Rhode Island is the main area of competition between Lifespan and CNE for inpatient GAC hospital services and inpatient behavioral health services. Lifespan and CNE each analyze competition within Rhode Island and identify hospitals within Rhode Island as their competitors.

23. Rhode Island residents strongly prefer to obtain inpatient GAC hospital services and inpatient behavioral health services close to where they live, with approximately 90 percent obtaining services from a Rhode Island provider. Therefore, it would be very difficult for a commercial insurer to market successfully a health plan to Rhode Island employers and residents that excluded all Rhode Island GAC hospitals. It would also be very difficult for a commercial insurer to market successfully a health plan to Rhode Island employers and residents that excluded all Rhode Island hospitals providing inpatient behavioral health services.

24. A hypothetical monopolist of inpatient GAC services in Rhode Island—e.g., the entity that would result from the merger of *all* Rhode Island hospitals providing these services—profitably could impose a SSNIP for these services on commercial insurers. The same is true for a hypothetical monopolist of inpatient behavioral health services in Rhode Island.

25. Because a hypothetical monopolist of all inpatient GAC hospitals in Rhode Island profitably could impose a SSNIP on insurers, Rhode Island is a relevant geographic market in which to analyze the Proposed Transaction.

26. A hypothetical monopolist of all hospitals in Rhode Island that provide inpatient behavioral services also profitably could impose a SSNIP on insurers and, thus, Rhode Island is a relevant geographic market in which to analyze the Proposed Transaction.

27. In the alternative, residents of Rhode Island and the 19 surrounding Massachusetts towns (collectively, the "MARI area") strongly prefer to obtain inpatient GAC hospital services and inpatient behavioral health services close to where they live. Therefore, it would be very difficult for a commercial insurer to market successfully a health plan to MARI-area employers and residents that excluded all MARI-area GAC hospitals. It would also be very difficult for a commercial insurer to market successfully a health plan to MARI-area employers and residents that excluded all MARI-area hospitals providing inpatient behavioral health services.

28. Because a hypothetical monopolist of all inpatient GAC hospitals in the MARI area profitably could impose a SSNIP on insurers, the MARI area is also a relevant geographic market in which to analyze the Proposed Transaction.

29. A hypothetical monopolist of all hospitals in the MARI area that provide inpatient behavioral services also profitably could impose a SSNIP on insurers and, thus, the MARI area is a relevant geographic market in which to analyze the Proposed Transaction.

VII.

MARKET STRUCTURE AND THE PROPOSED TRANSACTION'S PRESUMPTIVE ILLEGALITY

30. The Proposed Transaction will substantially increase concentration in already highly concentrated markets for inpatient GAC hospital services and inpatient behavioral health services sold to commercial insurers and their members in Rhode Island as well as the MARI area.

31. Based on commercial inpatient admissions for patients seeking care at Rhode Island hospitals, post-transaction, Respondents would control at least 70 percent of inpatient GAC hospital services and at least 70 percent of inpatient behavioral health services in Rhode Island.

32. Based on commercial inpatient admissions for patients seeking care at hospitals located in the MARI area, post-transaction, Respondents would control roughly 60 percent of inpatient GAC hospital services and at least 50 percent of inpatient behavioral health services in the MARI area.

33. The 2010 Merger Guidelines and courts measure concentration using the Herfindahl-Hirschman Index ("HHI"). HHI levels are calculated by totaling the squares of the market shares of each firm in the relevant market. A relevant market is "highly concentrated" if it has an HHI level of 2,500 or more. A merger or acquisition is presumed likely to create or enhance market power—and is therefore presumptively illegal—when it would increase the HHI by more than 200 points and result in a post-merger HHI exceeding 2,500.

34. The Proposed Transaction would increase the HHI in each of the Healthcare Service Markets in Rhode Island by over 1,500 points, resulting in a post-transaction HHI of over 5,000 in each of the relevant Healthcare Service Markets, far exceeding the threshold over which the Proposed Transaction is presumed likely to create or enhance market power and to be presumptively illegal. As such, the Proposed Transaction is presumptively illegal.

35. The Proposed Transaction would increase the HHI in each of the Healthcare Service Markets in the MARI area by over 1,000 points, resulting in a post-transaction HHI of over 3,000 in each of the relevant Healthcare Service Markets, far exceeding the threshold over which the Proposed Transaction is presumed likely to create or enhance market power and to be presumptively illegal. As such, the Proposed Transaction is presumptively illegal.

VIII.

ANTICOMPETITIVE EFFECTS

A.

Competition Between Hospitals Benefits Patients

36. Competition between hospitals occurs in two distinct but related stages. First, hospitals compete for inclusion in commercial insurers' health plan provider networks. Second, in-network hospitals compete to attract patients, including commercial insurers' health plan members. These dynamics apply to hospital competition for inpatient GAC services and inpatient behavioral health services.

37. In the first stage of hospital competition, hospitals compete to be included in commercial insurers' health plan provider networks. To become an "in-network" provider, a hospital negotiates with a commercial insurer and enters into a contract if both sides agree on terms. The financial terms under which a hospital is reimbursed for services rendered to a health plan's members are a central component of those negotiations.

38. Health plan members typically pay far less to access in-network hospitals than those that are out-of-network. In-network status thus benefits hospitals because, all else being equal, an in-network hospital will attract more patients from a particular health plan than an out-of-network one. This dynamic motivates hospitals to offer lower rates and other more favorable terms to commercial insurers to win inclusion in their networks.

39. From the insurers' perspective, having hospitals in-network is beneficial because it enables the insurer to create a health plan provider network in a particular geographic area that is attractive to current and prospective members, typically local employers and their employees.

40. A critical determinant of the relative bargaining positions of a hospital and a commercial insurer during contract negotiations is whether other, nearby comparable hospitals, or combinations of hospitals, are available to the commercial insurer and its health plan members as alternatives in the event of a negotiating impasse. Alternative comparable hospitals limit a hospital's bargaining leverage and constrain its ability to obtain more favorable reimbursement terms from commercial insurers. Where there are fewer meaningful alternatives, a hospital will have greater bargaining leverage to demand and obtain higher reimbursement rates and other more favorable reimbursement terms.

41. A merger between hospitals that are substitutes in the eyes of commercial insurers and their health plan members tends to increase the merged entity's bargaining leverage. Such mergers lead to higher reimbursement rates by eliminating an available alternative for commercial insurers.

42. Changes in the reimbursement terms negotiated between a hospital and a commercial insurer, including increases in reimbursement rates, significantly impact the commercial insurer's health plan members. When hospital rates increase, commercial insurers generally pass on a significant portion of these increased rates to their customers, employers and their employees and individuals, in the form of higher premiums, co-pays, and deductibles. Customers' employees and individual plan members may bear some portion of the increased cost through increased premiums, co-pays, and deductibles.

43. In the second stage of hospital competition, hospitals compete to attract patients to their facilities. Because health plan members often face similar out-of-pocket costs for in-network hospitals, hospitals in the same network compete to attract patients on non-price features, such as quality of care, access to services and technology, reputation, physicians and faculty members, amenities, convenience, and patient satisfaction. Hospitals compete on these non-price dimensions to attract all patients, regardless of whether they are covered by commercial insurance, a governmental insurance program, or lack any insurance. A merger of competing hospitals reduces this competition for patients and reduces the merged entity's incentive to improve and maintain service, access, and quality. As CNE's CEO explained, "[redacted] The Proposed Transaction weakens the competitive pressure motivating Respondents to improve

their respective service offerings and quality today, and Rhode Islanders will lose their ability to choose between Respondents.

B.

The Proposed Transaction Would Eliminate Beneficial Head-to-Head Competition Between Respondents

44. Lifespan and CNE compete vigorously and treat each other as "[redacted]" They compete with one another on rates offered to commercial insurers and they constantly vie to innovate and improve the quality of the care they provide, in direct response to each other. This competition has spurred Respondents to invest in clinical services, access, and quality, to the benefit of all Rhode Island residents.

45. Lifespan and CNE also track each other's market shares, quality scores, advertising, and brand recognition, implementing strategies and tactics to win patients from the other. For example, [redacted] In response, Lifespan [redacted]

46. Economic analysis confirms that Lifespan and CNE are close competitors for inpatient GAC hospital services and inpatient behavioral health services. Diversion analysis, an economic tool that uses data on where patients receive hospital services, shows that if CNE's hospitals were to become unavailable to patients for inpatient GAC hospital services or inpatient behavioral health services, a significant number of those patients would seek care at a Lifespan hospital. Likewise, if Lifespan hospitals were to become unavailable to patients for inpatient GAC hospital services or inpatient behavioral health services, a significant fraction of Lifespan's patients would seek care at a CNE hospital.

47. Today, this close head-to-head competition between the Respondents incentivizes them to keep prices lower and quality of care higher than they would without this competition.

C.

The Proposed Transaction Would Increase Respondents' Bargaining Leverage in Negotiations with Insurers

48. The reduction in competition caused by the Proposed Transaction would increase Respondents' already significant bargaining leverage in contract negotiations with commercial insurers. This increase in bargaining leverage would apply to contract negotiations for all healthcare services Respondents offer and would result in Respondents commanding higher reimbursement rates and more favorable reimbursement terms.

49. Respondents serve as key alternatives to one another for most inpatient GAC and inpatient behavioral health services, and Respondents each have added or considered adding services with the express purpose of competing with the other on rates offered to commercial insurers. Consequently, insurers have achieved more favorable rates and other terms through separate, independent negotiations with each Respondent.

50. Such competition would be eliminated as a result of the Proposed Transaction, thereby reducing Respondents' incentive to offer lower rates and leading to increased prices. Merging will enhance Respondents' already significant leverage when negotiating with commercial insurers and lead to higher reimbursement rates and terms that are more favorable to Respondents. Both Respondents also operate accountable care organizations ("ACOs") through which they negotiate with commercial insurers. The combination of the Respondents' ACOs may provide another avenue through which they can exercise their increased bargaining leverage for higher rates or more onerous terms that give Respondents less incentive to control healthcare spending and improve quality.

51. Regulation from the Rhode Island Office of the Health Insurance Commissioner ("OHIC") will not be sufficient to prevent the Respondents from exercising market power after the Proposed Transaction. OHIC's regulation does not apply to all types of healthcare services or all health insurance products; thus, Respondents can exercise market power through healthcare services or insurers' lines of business that OHIC does not regulate.

D.

The Proposed Transaction Would Eliminate Vital Quality and Service Competition

52. Lifespan and CNE compete with one another to attract patients, which incentivizes them to improve the quality of care they provide, enhance access, recruit high quality physicians, and expand their service offerings. The Proposed Transaction would eliminate this competition, weakening Respondents' incentives to invest in new or expanded services, innovation, and technology.

53. Lifespan and CNE track and respond to one another's service offerings. CNE has added several significant services in direct competition with Lifespan and Lifespan has responded by increasing access to or further promoting its own services.

54. For example, CNE [redacted] CNE emphasized [redacted] Upon starting its [redacted] service [redacted] and Respondents continue to compete in this service line today. In preparing to start performing [redacted] a CNE executive described "[redacted]

[redacted]" and noted that "[redacted]"

55. Lifespan and CNE have also taken steps to increase patient access to their respective hospitals to avoid losing patients to one another. In response to Lifespan's CEO's instruction that "[redacted]" because [redacted]" Lifespan [redacted]

56. Lifespan and CNE also track quality recognitions and considers these achievements when developing their own strategy. CNE pursued [redacted] noting Kent was "[redacted]" and that it would [redacted]

57. Lifespan and CNE have competed with one another to employ or affiliate with physicians, an important source of patient referrals. CNE [redacted] pursued [redacted] noting the physician [redacted]" Lifespan began recruiting [redacted] because it had a [redacted]"

58. Patients benefit from this direct non-price competition. The Proposed Transaction will diminish the combined firm's incentive to compete on quality of care, access to care, and service offerings to the detriment of all patients who use these hospitals, including commercially insured, Medicare, Medicaid, and self-pay patients.

IX.

LACK OF COUNTERVAILING FACTORS

A.

Entry Barriers

59. Neither entry by new market participants nor expansion by current market participants is likely to deter or counteract the Proposed Transaction's likely harm to competition for inpatient GAC hospital services or inpatient behavioral health services.

60. New entry into inpatient GAC hospital services and inpatient behavioral health services or significant expansion by current providers or employers of these services is not likely, nor would such entry or expansion be timely or sufficient to offset the Proposed Transaction's likely harmful competitive effects. Entry or significant expansion is unlikely due to high costs and risks associated with constructing and opening inpatient GAC or inpatient

behavioral health hospitals, or significantly expanding these services. Construction of a new hospital (including inpatient GAC services and/or inpatient behavioral health services) or substantial expansion of an existing one would involve high costs and significant financial risk, including the time and resources to conduct studies, develop plans, acquire land or repurpose a facility, obtain regulatory approvals, including a CON, and build or renovate and open the facility.

61. Additionally, Respondents' reputations, size, and breadth and depth of the inpatient GAC hospital services and inpatient behavioral health services they provide make it unlikely that there will be entry on a sufficient scale to counteract or constrain post-Transaction competitive effects.

62. Even if *de novo* hospital construction or significant expansion by incumbent providers were likely, such entry or significant expansion would not be timely. In addition to the time and costs associated with planning and constructing a hospital or significantly expanding existing facilities, Rhode Island's CON regulations pose a significant barrier to entry.

63. Rhode Island's CON regulations require anyone seeking to build a new hospital or significantly modify an existing hospital to undergo an extensive application process and justify the need for such construction or modifications. Applicants must demonstrate, among other things, demand and community need and their ability to fund the project. Obtaining CON approval is a time-consuming process and there is no guarantee such approval will be granted.

64. Even a successful entrant would be unlikely to counteract the loss of competition resulting from the Proposed Transaction, as a new provider would face significant challenges to replicate CNE's competitive significance and reputation.

B.

Efficiencies

65. Respondents have not substantiated merger-specific, verifiable, and cognizable efficiencies that likely would be sufficient to reverse the Proposed Transaction's potential to harm customers in the markets for inpatient GAC services or inpatient behavioral health services.

X.

VIOLATION

COUNT I – ILLEGAL AGREEMENT

1. The allegations of Paragraphs 1 through 65 above are incorporated by reference as though fully set forth.

2. The Proposed Transaction constitutes an unfair method of competition in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

COUNT II – ILLEGAL ACQUISITION

3. The allegations of Paragraphs 1 through 65 above are incorporated by reference as though fully set forth.

4. The Proposed Transaction, if consummated, may substantially lessen competition in the relevant markets in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and is an unfair method of competition in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

NOTICE

Notice is hereby given to the Respondents that the twentieth day of July, 2022, at 10:00 a.m., is hereby fixed as the time, and the Federal Trade Commission offices at 600 Pennsylvania Avenue, N.W., Room 532, Washington, D.C. 20580, as the place, when and where an evidentiary hearing will be had before an Administrative Law Judge of the Federal Trade Commission, on the charges set forth in this complaint, at which time and place you will have the right under the Federal Trade Commission Act and the Clayton Act to appear and show cause why an order should not be entered requiring you to cease and desist from the violations of law charged in the complaint.

You are notified that the opportunity is afforded you to file with the Commission an answer to this complaint on or before the fourteenth (14th) day after service of it upon you. An answer in which the allegations of the complaint are contested shall contain a concise statement of the facts constituting each ground of defense; and specific admission, denial, or explanation of each fact alleged in the complaint or, if you are without knowledge thereof, a statement to that effect. Allegations of the complaint not thus answered shall be deemed to have been admitted. If you elect not to contest the allegations of fact set forth in the complaint, the answer shall consist of a statement that you admit all of the material facts to be true. Such an answer shall constitute a waiver of hearings as to the facts alleged in the complaint and, together with the complaint, will provide a record basis on which the Commission shall issue a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding. In such answer, you may, however, reserve the right to submit proposed findings and conclusions under Rule 3.46 of the Commission's Rules of Practice for Adjudicative Proceedings.

Failure to file an answer within the time above provided shall be deemed to constitute a waiver of your right to appear and to contest the allegations of the complaint and shall authorize the Commission, without further notice to you, to find the facts to be as alleged in the complaint and to enter a final decision containing appropriate findings and conclusions, and a final order disposing of the proceeding.

The Administrative Law Judge shall hold a prehearing scheduling conference not later than ten (10) days after the Respondents file their answers. Unless otherwise directed by the Administrative Law Judge, the scheduling conference and further proceedings will take place at

the Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Room 532, Washington, D.C. 20580. Rule 3.2l(a) requires a meeting of the parties' counsel as early as practicable before the pre-hearing scheduling conference (but in any event no later than five (5) days after the Respondents file their answers). Rule 3.3l(b) obligates counsel for each party, within five (5) days of receiving the Respondents' answers, to make certain initial disclosures without awaiting a discovery request.

NOTICE OF CONTEMPLATED RELIEF

Should the Commission conclude from the record developed in any adjudicative proceedings in this matter that the Proposed Transaction challenged in this proceeding violates Section 5 of the Federal Trade Commission Act, as amended, and/or Section 7 of the Clayton Act, as amended, the Commission may order such relief against Respondents as is supported by the record and is necessary and appropriate, including, but not limited to:

1. A prohibition against any transaction between Lifespan and CNE that combines their businesses, except as may be approved by the Commission.

2. If the Proposed Transaction is consummated, divestiture or reconstitution of all associated and necessary assets, in a manner that restores two or more distinct and separate, viable and independent businesses in the relevant markets, with the ability to offer such products and services as Lifespan and CNE were offering and planning to offer prior to the Proposed Transaction.

3. A requirement that, for a period of time, Lifespan and CNE provide prior notice to the Commission of acquisitions, mergers, consolidations, or any other combinations of their businesses in the relevant markets with any other company operating in the relevant markets.

4. A requirement to file periodic compliance reports with the Commission.

5. Requiring that Respondents' compliance with the order may be monitored at Respondents' expense by an independent monitor, for a term to be determined by the Commission.

6. Any other relief appropriate to correct or remedy the anticompetitive effects of the Proposed Transaction or to restore CNE as viable, independent competitor in the relevant markets.

IN WITNESS WHEREOF, the Federal Trade Commission has caused this complaint to be signed by its Secretary and its official seal to be hereto affixed, at Washington, D.C., this seventeenth day of February, 2022.

By the Commission.

April J. Tabor
Secretary

SEAL:

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Noah Joshua Phillips
Rebecca Kelly Slaughter
Christine S. Wilson

In the Matter of	)	
Global Partners LP, a limited partnership, and	)	**DECISION AND ORDER** Docket No. C-4755
Richard Wiehl, a natural person.	)	

DECISION

The Federal Trade Commission initiated an investigation of the proposed acquisition by Respondent Global Partners LP of certain retail service station and convenience store assets from Respondent Richard Wiehl (collectively "Respondents"). The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

Respondents and the Bureau of Competition executed an Agreement Containing Consent Orders ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order and Order to Maintain Assets.

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Acts, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments; at the same time, it issued and served its Complaint and Order to Maintain Assets. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34,

16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent Global Partners LP is a limited partnership organized, existing, and doing business under and by virtue of the laws of Delaware, with its executive offices and principal place of business located at 800 South Street, Suite 500, Waltham, Massachusetts, 02454-9161.

2. Respondent Richard Wiehl is a natural person with his office and principal place of business located at 497 Bic Drive, Milford, Connecticut 06461.

3. Petroleum Marketing Group, Inc. is a corporation organized, existing, and doing business under, and by virtue of the laws of the state of Maryland, with its office and principal place of business located at 2900 Telestar Court, Falls Church, VA 22042.

4. The Federal Trade Commission has jurisdiction over the subject matter of this proceeding and over the Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

IT IS HEREBY ORDERED that, as used in this Order, the following definitions shall apply:

A. "Global" means Global Partners LP, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Global Partners LP, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

B. "Wiehl" means Richard Wiehl, a natural person, all partnerships, joint ventures, subsidiaries, divisions, and affiliates controlled by Richard Wiehl (including Wheels of CT, Inc., Consumers Petroleum of Connecticut, Inc., Putling Greens I, LLC, CPCI, LLC, and Wiehl Estate, LLC), and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

C. "Commission" means the Federal Trade Commission.

D. "Acquirer" means

   1. PMG; or

   2. Any other Person that the Commission approves to acquire the Retail Fuel Assets pursuant to this Order.

E. "Acquisition" means the proposed acquisition described in the agreement titled "Purchase and Sale Agreement by and between Sellers listed on Schedule 1, As Seller and Global Partners LP, As Buyer dated as of December 9, 2020."

F. "Acquisition Date" means the date Respondents consummate the Acquisition.

G. "Business Information" means books, records, data, and information, wherever located and however stored, used in or related to the operation of the Retail Fuel Business relating to the Retail Fuel Assets, including documents, written information, graphic materials, and data and information in electronic format, along with the knowledge of employees, contractors, and representatives. Business Information includes books, records, data, and information relating to sales, marketing, logistics, products and SKUs, pricing, promotions, advertising, personnel, accounting, business strategy, information technology systems, customers, suppliers, vendors, research and development, Equipment operations, and all other information used in the operation of the Retail Fuel Business relating to the Retail Fuel Assets.

H. "Confidential Information" means all Business Information not in the public domain, except for any information that was or becomes generally available to the public other than as a result of disclosure by Respondents.

I. "Consent" means an approval, consent, ratification, waivers, or other authorization.

J. "Contract" means an agreement, contract, lease, license agreement, consensual obligation, promise or undertaking (whether written or oral and whether express or implied), whether or not legally binding with third parties.

K. "Direct Cost" means the cost of labor, materials, travel, and other expenditures directly incurred. The cost of any labor included in Direct Cost shall not exceed the hours of labor provided times the then-current average hourly wage rate, including benefits, for the employee providing such labor; *provided, however*, that with respect to the transitional supply of Fuel Products, the Direct Cost shall be calculated net of any rebates, Renewable Identification Number sharing, or other discounts or allowances and shall not include any mark-up, profit, overhead, minimum volume penalties, or other upward adjustments by Respondents.

L. "Divestiture Agreement" means:

1. The Asset Purchase Agreement by and among Alliance Energy LLC, Global Montello Group Corp. and Petroleum Marketing Investment Group, LLC entered into on September 13, 2021, and all amendments, exhibits, attachments, agreements, and schedules thereto, attached to this Decision and Order as Nonpublic Appendix A; or

2. Any other agreement between Respondents (or a Divestiture Trustee appointed pursuant to Section IX of this Order) and an Acquirer for the purchase of any of

the Retail Fuel Assets, and all amendments, exhibits, attachments, agreements, and schedules thereto.

M. "Divestiture Date" means the closing date of any of the Divestiture Locations by the Acquirer as required by this Order.

N. "Divestiture Locations" means any Retail Fuel Business operated by Respondents prior to the Acquisition Date at the following locations:

1. 82 Stony Hill Road, Bethel, Connecticut, 06801;

2. 1139 Post Road, Fairfield, Connecticut, 06430;

3. 2093 Post Road, Fairfield, Connecticut, 06824;

4. 25 Bridgeport Avenue, Milford, Connecticut, 06460;

5. 300 Bridgeport Road, Milford, Connecticut, 06460;

6. 7294 & 7296 Main Street, Stratford, Connecticut, 06614; and

7. 210 Danbury Road, Wilton, Connecticut, 06897.

O. "Divestiture Trustee" means the Person appointed by the Commission pursuant to Section IX of this Order.

P. "Employee Information" means, to the extent permitted by law, the following information summarizing the employment history of each employee that includes:

1. Name, job title or position, date of hire, and effective service date;

2. Specific description of the employee's responsibilities;

3. The base salary or current wages;

4. Most recent bonus paid, aggregate annual compensation for Respondent's last fiscal year, and current target or guaranteed bonus, if any;

5. Written performance reviews for the past three years, if any;

6. Employment status (*i.e.,* active or on leave or disability; full-time or part-time);

7. Any other material terms and conditions of employment in regard to such employee that are not otherwise generally available to similarly situated employees; and

8. At the Acquirer's option, copies of all employee benefit plans and summary plan descriptions (if any) applicable to the employee.

Q. "Equipment" means all tangible personal property (other than Inventories) of every kind owned or leased by Respondents in connection with the operation of any Divestiture Locations, including, but not limited to all: fixtures, furniture, computer equipment and third-party software, office equipment, telephone systems, security systems, registers, credit card systems, credit card invoice printers and electronic point of sale devices, money order machines and money order stock, shelving, display racks, walk-in boxes, furnishings, signage, canopies, fuel dispensing equipment, UST systems (including all fuel storage tanks, fill holes and fill hole covers and tops, pipelines, vapor lines, pumps, hoses, Stage I and Stage II vapor recovery equipment, containment devices, monitoring equipment, cathodic protection systems, and other elements associated with any of the foregoing), parts, tools, supplies, and all other items of equipment or tangible personal property of any nature or other systems used in the operation of any Divestiture Locations, together with any express or implied warranty by the manufacturers, sellers, or lessors of any item or component part, to the extent such warranty is transferrable, and all maintenance records and other related documents.

R. "Fuel Products" means refined petroleum gasoline and diesel products.

S. "Governmental Authorization" means any Consent, license, registration, or permit issued, granted, given or otherwise made available by or under the authority of any governmental body or pursuant to any legal requirement.

T. "Intellectual Property" means all intellectual property, including: (1) commercial names, assumed fictional business names, trade names, "doing business as" (d/b/a names), registered and unregistered trademarks, service marks and applications, and trade dress; (2) patents, patent applications and inventions and discoveries that may be patentable; (3) registered and unregistered copyrights in both published works and unpublished works; (4) rights in mask works; (5) know-how, trade secrets, confidential or proprietary information, customer lists, software, technical information, data, process technology, plans, drawings, and blue prints; and (6) rights in internet web sites and internet domain names.

U. "Inventories" means all inventories of every kind and nature for retail sale associated with any Divestiture Locations, including: (1) Fuel Products, kerosene, and other petroleum-based motor fuels stored in bulk and held for sale to the public; and (2) usable, non-damaged and non-out-of-date products and items held for sale to the public, including, without limitation, food-related items requiring further processing, packaging, or preparation and ingredients from which prepared foods are made to be sold.

V. "Monitor" means any Person appointed by the Commission to serve as a monitor pursuant to this Order or the Order to Maintain Assets.

W. "Orders" means this Order and the Order to Maintain Assets entered in this action.

X. "Person" means any individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture or other entity, or a governmental body.

Y. "PMG" means Petroleum Marketing Group, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Petroleum Marketing Group, Inc., including Petroleum Marketing Investment Group, LLC. and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

Z. "Prior Approval Location" means a Retail Fuel Business within a 2-mile driving distance from a Divestiture Location.

AA. "Retail Fuel Assets" means all of Respondents' right, title, and interest in and to all property and assets, real, personal, or mixed, tangible and intangible, of every kind and description, wherever located, used in, or relating to the Retail Fuel Business operated at the Divestiture Locations, including:

1. All real property interests (including fee simple interests and real property leasehold interests), including all easements, and appurtenances, together with all buildings and other structures, facilities, and improvements located thereon, owned, leased, or otherwise held;

2. All Equipment, including any Equipment removed from any Divestiture Location since the date of the announcement of the Acquisition and not replaced;

3. All Inventories;

4. All accounts receivable;

5. All Contracts and all outstanding offers or solicitations to enter into any Contract, and all rights thereunder and related thereto;

6. All Governmental Authorizations and all pending applications therefor or renewals thereof, to the extent transferable;

7. All Business Information; and

8. All intangible rights and property, including Intellectual Property owned or licensed (as licensor or licensee) by Respondent, going concern value, goodwill, and telephone and telecopy listings;

Provided, however, that the Retail Fuel Assets need not include the Retained Assets.

BB. "Retail Fuel Business" means all business activities related to (1) the retail sale of Fuel Products, and (2) the operation of any associated convenience store and other business or service.

CC. "Retail Fuel Employee" means any full-time, part-time, or contract individual employed by Respondents, as applicable, at any Divestiture Locations, as of September 13, 2021.

DD. "Retained Assets" means:

1. Corporate or regional offices;

2. Intellectual property;

3. Trade names and trademarks that Respondents use primarily for businesses other than the Divestiture Locations to be divested;

4. Software that can readily be purchased or licensed from sources other than Respondents and that has not been materially modified (other than through user preference settings);

5. Enterprise software that Respondents use primarily to manage and account for businesses other than the relevant businesses to be divested;

6. The portion of any Business Information that contains information about any business other than the businesses to be divested, and from which Confidential Information has been redacted; and

7. Inventory that an Acquirer agrees not to purchase or that cannot be transferred by law in the applicable jurisdiction.

EE. "Transitional Assistance" means technical services, personnel, assistance, training, the supply of Fuel Products, and other logistical, administrative, and other transitional support as required by an Acquirer to facilitate the transfer of the Retail Fuel Assets from the Respondents to the Acquirer, including, but not limited to, services, training, personnel, and support related to: audits, finance and accounting, accounts receivable, accounts payable, employee benefits, payroll, pensions, human resources, information technology and systems, maintenance and repair of facilities and equipment, Fuel Products supply, purchasing, quality control, R&D support, technology transfer, use of Respondents' brands for transitional purposes, operating permits and licenses, regulatory compliance, PCI Compliance, EMV Compliance, sales and marketing, customer service, supply chain management, and customer transfer logistics.

II. Divestiture

IT IS FURTHER ORDERED that:

A. No later than 20 days after the Acquisition Date, Respondent Global shall divest the Retail Fuel Assets, as ongoing businesses, absolutely and in good faith, to PMG;

Provided, however, that if within 12 months after issuing the Order, the Commission determines, in consultation with the Acquirer and the Monitor, should one be appointed, the Acquirer needs one or more Retained Assets to operate the Retail Fuel Assets in a manner that achieves the purposes of the Order, Respondents shall divest, absolutely and in good faith, such needed Retained Assets to the Acquirer; and

Provided further, however, that if Business Information relating to the Retail Fuel Assets includes information (1) that also relates to other retained businesses of Respondents and cannot be segregated in a manner that preserves the usefulness of the information as it relates to the Retail Fuel Assets or (2) where Respondents have a legal obligation to retain the original copies, then Respondents shall provide only copies of the materials containing such information with appropriate redactions to the Acquirer and shall provide the Acquirer access to the original materials if copies are insufficient for regulatory or evidentiary purposes.

B. If Respondents have divested the Retail Fuel Assets to PMG prior to the date this Order becomes final, and if, at the time the Commission determines to make this Order final, the Commission notifies Respondents that:

1. PMG is not acceptable as the acquirer of the Retail Fuel Assets, then Respondents shall rescind the divestiture to PMG within 5 days of notification, and shall divest the Retail Fuel Assets no later than 180 days from the date this Order is issued, as on-going businesses, absolutely and in good faith, at no minimum price, to a Person that receives the prior approval of the Commission and in a manner that receives the prior approval of the Commission; or

2. The manner in which the divestiture to PMG was accomplished is not acceptable, the Commission may direct Respondents, or appoint a Divestiture Trustee, to modify the manner of divestiture of the Retail Fuel Assets as the Commission may determine is necessary to satisfy the requirements of this Order.

C. Respondents shall obtain, no later than the Divestiture Date and at their sole expense, all Consents from third parties and all Governmental Authorizations that are necessary to effect the complete transfer and divestiture of the Retail Fuel Assets to the Acquirer and for Acquirer to operate any aspect of the relevant Divestiture Locations;

Provided, however, that:

1. Respondents may satisfy the requirement to obtain all Consents from third parties by certifying that the Acquirer has entered into equivalent agreements or arrangements directly with the relevant third party that are acceptable to the Commission, or has otherwise obtained all necessary Consents and waivers; and

2. With respect to any Governmental Authorizations relating to the Retail Fuel Assets that are not transferable, Respondents shall, to the extent permitted under applicable law, allow the Acquirer to operate the Retail Fuel Assets under Respondents' Governmental Authorizations pending the Acquirer's receipt of its own Governmental Authorizations, and Respondents shall provide such assistance as the Acquirer may reasonably request in connection with its efforts to obtain such Governmental Authorizations.

D. Respondents shall assist each Acquirer to conduct a due diligence investigation of the Retail Fuel Assets and Divestiture Locations the Acquirer seeks to purchase, including by providing sufficient and timely access to all information customarily provided as part of a due diligence process, and affording the Acquirer and its representatives (including prospective lenders and their representatives) full and free access, during regular business hours, to the personnel, assets, Contracts, Governmental Authorizations, Business Information, and other documents and data relating to the relevant Divestiture Locations, with such rights of access to be exercised in a manner that does not unreasonably interfere with the operations of Respondents.

III. Divestiture Agreement

IT IS FURTHER ORDERED that**:**

A. The Divestiture Agreement shall be incorporated by reference into this Order and made a part hereof, and any failure by Respondents to comply with the terms of the Divestiture Agreement shall constitute a violation of this Order; *provided, however*, that the Divestiture Agreement shall not limit, or be construed to limit, the terms of this Order. To the extent any provision in the Divestiture Agreement varies from or conflicts with any provision in this Order such that Respondents cannot fully comply with both, Respondents shall comply with the Order.

B. Respondents shall not modify or amend the terms of the Divestiture Agreement after the Commission issues the Order without the prior approval of the Commission, except as otherwise provided in Commission Rule 2.41(f)(5), 16 C.F.R. § 2.41(f)(5).

IV. Transitional Assistance

IT IS FURTHER ORDERED that:

A. Until Respondents have transferred all Business Information included in the Retail Fuel Assets to the Acquirer, Respondents shall ensure that the Business Information is maintained and updated in the ordinary course of business and shall provide the Acquirer with access to Business Information (wherever located and however stored) that Respondents have not yet transferred to the Acquirer, and to employees who possess the Business Information.

B. At the option of the Acquirer, Respondents shall provide the Acquirer with Transitional Assistance sufficient to (1) transfer efficiently the Retail Fuel Assets to the Acquirer and

(2) allow the Acquirer to operate the acquired Retail Fuel Assets in a manner that is equivalent in all material respects to the manner in which Respondents did so prior to the Acquisition.

C. Respondents shall provide Transitional Assistance:

1. As set forth in a Divestiture Agreement, or as otherwise reasonably requested by the Acquirer (whether before or after the Divestiture Date);

2. At the price set forth in the Divestiture Agreement, or if no price is set forth, at Direct Cost; and

3. For a period sufficient to meet the requirements of Section IV, which shall be, at the option of the Acquirer, for up to 15 months after the Divestiture Date;

Provided, however, that within 15 days after a request by the Acquirer, Respondents shall file with the Commission a written request to extend the time period for providing Transitional Assistance in order to achieve the purposes of this Order.

D. Respondents shall allow the Acquirer to terminate, in whole or part, any Transitional Assistance at any time upon commercially reasonable notice and without cost or penalty.

E. Respondents shall not cease providing Transitional Assistance due to a breach by the Acquirer of a Divestiture Agreement, and shall not limit any damages (including indirect, special, and consequential damages) that the Acquirer would be entitled to receive in the event of Respondent's breach of any agreement relating to Transitional Assistance.

V. Employees

IT IS FURTHER ORDERED that:

A. Until 6 months after the Divestiture Date, Respondents shall cooperate with and assist the Acquirer of the Retail Fuel Assets to evaluate independently and offer employment to any Retail Fuel Employee.

B. Respondents shall:

1. No later than 10 days after a request from the Acquirer, provide to the Acquirer a list of all Retail Fuel Employees and provide Employee Information for each;

2. No later than 10 days after a request from the Acquirer, provide the Acquirer an opportunity to privately interview any of the Retail Fuel Employees outside the presence or hearing of any employee or agent of any Respondent, and to make offers of employment to any of the Retail Fuel Employees;

3. Remove and not enter into any impediments within the control of Respondents that may deter Retail Fuel Employees from accepting employment with the Acquirer, including, but not limited to, removal of any non-compete or confidentiality provisions of employment or other contracts with Respondents that may affect the ability or incentive of those individuals to be employed by the Acquirer, and shall not make any counteroffer to an Retail Fuel Employee who receives an offer of employment from the Acquirer; *provided, however*, that nothing in this Order shall be construed to require Respondents to terminate the employment of any employee or prevent Respondents from continuing the employment of any employee;

4. Continue to provide Retail Fuel Employees with compensation and benefits, including regularly scheduled raises and bonuses and the vesting of benefits;

5. Provide reasonable financial incentives for Retail Fuel Employees to continue in their positions, and as may be necessary, to facilitate the employment of such Retail Fuel Employees by an Acquirer; and

6. Not interfere, directly or indirectly, with the hiring or employing by the Acquirer of any Retail Fuel Employee, not offer any incentive to such employees to decline employment with the Acquirer, and not otherwise interfere with the recruitment of any Retail Fuel Employee by the Acquirer.

C. Respondents shall not, for a period of 180 days following the Divestiture Date, directly or indirectly, solicit or otherwise attempt to induce any Person employed by the Acquirer to terminate his or her employment with the Acquirer; *provided, however*, Respondents may:

1. Hire any such Person whose employment has been terminated by the Acquirer;

2. Advertise for employees in newspapers, trade publications, or other media, or engage recruiters to conduct general employee search activities, in either case not targeted specifically at one or more Person employed by the Acquirer; or

3. Hire a Person who has applied for employment with Respondents, as long as such application was not solicited or induced in violation of Section V.

D. Respondent Global shall not enforce any noncompete provision or noncompete agreement against any Person seeking employment from or otherwise doing business with any of the Divestiture Locations.

VI. Asset Maintenance

IT IS FURTHER ORDERED that until Respondents fully transfer each of the Divestiture Locations and related Retail Fuel Assets to the Acquirer, Respondents shall, subject to their obligations under the Order to Maintain Assets, ensure that each of the Divestiture

Locations and related Retail Fuel Assets are operated and maintained in the ordinary course of business consistent with past practices, and shall:

A. Operate the Retail Fuel Business relating to the Retail Fuel Assets in the ordinary course of business consistent with past practices and take all actions necessary to maintain the full economic viability, marketability, and competitiveness of such Retail Fuel Business;

B. Prevent the destruction, removal, wasting, deterioration, closing, or impairment (other than as a result of ordinary wear and tear) of the Retail Fuel Assets, including:

1. Maintaining, repairing, and replacing any Equipment to the extent and in a manner consistent with past practices;

2. Maintaining inventory levels in a manner consistent with past practices;

3. Not terminating, canceling, renewing, or amending any Contract, except as consistent with past practices; and

4. Not entering any Contract that would restrain or restrict the ability of the Acquirer to compete against Respondents;

C. Make any payment required to be paid under any contract or lease when due, and otherwise satisfy all liabilities and obligations associated with the Retail Fuel Assets;

D. Provide the Retail Fuel Business relating to the Retail Fuel Assets with sufficient funds to operate at least at current rates of operation, to meet all capital calls, to perform routine or necessary maintenance, to repair or replace facilities and equipment, and to carry on at least at their scheduled pace all capital projects, business plans, development projects, promotional activities, and marketing activities;

E. Provide resources as may be necessary to respond to competition against the Retail Fuel Business relating to the Retail Fuel Assets, prevent diminution in sales of such Retail Fuel Business, and maintain the competitive strength of such Retail Fuel Business;

F. Not reduce operating hours;

G. Not reduce, change, or modify in any material respect, the level of marketing, promotional, pricing, or advertising practices, programs, and policies for the Retail Fuel Business related to the Retail Fuel Assets, other than changes in the ordinary course of business consistent with changes made at Respondents' other businesses that Respondents will not divest;

H. Not target, encourage, or convert customers of the Retail Fuel Business relating to the Retail Fuel Assets to become customers of Respondents' other businesses that will not be divested; provided, however, that nothing in this subparagraph shall prevent Respondents from engaging in advertising, marketing, and promotion activities: (i) generally

applicable to all of Respondent businesses, or (ii) in the ordinary course of business and in accordance with past practice;

I. Provide support services at levels customarily provided by Respondents;

J. Maintain all licenses, permits, approvals, authorizations, or certifications related to or necessary for the operation of the Retail Fuel Business relating to the Retail Fuel Assets, and otherwise operate such Retail Fuel Business in accordance and compliance with all regulatory obligations and requirements;

K. Not sell, transfer, encumber, or otherwise impair the Retail Fuel Assets (other than in the manner prescribed in the Orders);

L. Not take any action that lessens the full economic viability, marketability, or competitiveness of the Retail Fuel Assets;

M. Not terminate the operations of the Retail Fuel Business relating to the Retail Fuel Assets;

N. Preserve the existing relationships with suppliers, customers, employees, governmental authorities, vendors, landlords, site operators, and others having business relationships with the Retail Fuel Business relating to the Retail Fuel Assets;

O. Maintain the working conditions, staffing levels, and a work force of equivalent size, training, and expertise associated with the Retail Fuel Business relating to the Retail Fuel Assets, including:

1. When vacancies occur, replacing the employees in the regular and ordinary course of business, in accordance with past practice; and

2. Not transferring any employees from the Retail Fuel Business relating to the Retail Fuel Assets to any of Respondents' assets or businesses that Respondents will not divest.

Provided, however, that Respondents may take actions that the Acquirer has requested or agreed to in writing and that has been approved in advance by Commission staff, in all cases to facilitate the Acquirer's acquisition of the Divestiture Locations and related Retail Fuel Assets and consistent with the purposes of this Order and the Order to Maintain Assets.

VII. Confidential Information

IT IS FURTHER ORDERED that:

A. Respondents shall not (x) disclose (including to Respondents' employees) or (y) use for any reason or purpose, any Confidential Information received or maintained by

Respondents; *provided, however,* that Respondents may disclose or use such Confidential Information in the course of:

1. Performing its obligations or as permitted under this Order, the Order to Maintain Assets, or any Divestiture Agreement; or

2. Complying with financial reporting requirements, obtaining legal advice, prosecuting or defending legal claims, responding to investigations, or enforcing actions threatened or brought against the Retail Fuel Assets or any Divestiture Locations, or as required by law or regulation, including any applicable securities exchange rules or regulations.

B. If disclosure or use of any Confidential Information is permitted to Respondents' employees or to any other Person under Section VII, Respondents shall limit such disclosure or use (1) only to the extent such information is required, (2) only to those employees or Persons who require such information for the purposes permitted under Paragraph VII.A, and (3) only after such employees or Persons have signed an agreement to maintain the confidentiality of such information.

C. Respondents shall enforce the terms of Section VII and take necessary actions to ensure that their employees and other Persons comply with the terms of Section VII, including implementing access and data controls, training its employees, and other actions that Respondents would take to protect their own trade secrets and proprietary information.

VIII. Monitor

IT IS FURTHER ORDERED that:

A. At any time after Respondents sign the Consent Agreement, the Commission may appoint a Person to serve as Monitor to observe and report on Respondents' compliance with their obligations as set forth in the Orders.

B. If the Commission determines to appoint a Monitor, the Commission shall select the Monitor subject to the consent of Respondents, which shall not be unreasonably withheld. Respondents shall be deemed to have consented to the selection of the proposed Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed Monitor.

C. Respondents and the Monitor may enter into an agreement relating to the Monitor's services. Any such agreement:

1. Shall be subject to the approval of the Commission;

2. Shall not limit, and the signatories shall not construe it to limit, the terms of Section VIII or the Section relating to the Monitor in the Order to Maintain Assets

("Monitor Sections"), and to the extent any provision in the agreement varies from or conflicts with any provision in the Monitor Sections, Respondents and the Monitor shall comply with the Monitor Sections; and

3. Shall include a provision stating that the agreement does not limit, and the signatories shall not construe it to limit, the terms of the Orders in this matter, and to the extent any provision in the agreement varies from or conflicts with any provision in the Orders, Respondents and the Monitor shall comply with the Orders.

D. The Monitor shall:

1. Have the authority to monitor Respondents' compliance with the obligations set forth in the Orders;

2. Act in consultation with the Commission or its staff;

3. Serve as an independent third party and not as an employee or agent of Respondents or of the Commission;

4. Serve without bond or other security;

5. At the Monitor's option, employ such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;

6. Enter into a non-disclosure or other confidentiality agreement with the Commission related to Commission materials and information received in connection with the performance of the Monitor's duties and require that each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants shall also enter into a non-disclosure or other confidentiality agreement with the Commission;

7. Notify staff of the Commission, in writing, no later than 5 days in advance of entering into any arrangement that creates a conflict of interest, or the appearance of a conflict of interest, including a financial, professional or personal conflict. If the Monitor becomes aware of such a conflict only after it has arisen, the Monitor shall notify the Commission as soon as the Monitor becomes aware of the conflict;

8. Report in writing to the Commission concerning Respondents' compliance with this Order on a schedule as determined by Commission staff, and at any other time requested by the staff of the Commission; and

9. Unless the Commission or its staff determine otherwise, the Monitor shall serve until Commission staff determines that Respondents have satisfied all obligations under the designated Sections of this Order, and files a final report.

E. Respondents shall:

1. Cooperate with and assist the Monitor in performing his or her duties for the purpose of reviewing Respondents' compliance with their obligations under the Orders, including as requested by the Monitor, (a) providing the Monitor full and complete access to personnel, information and facilities; and (b) making such arrangements with third parties to facilitate access by the Monitor;

2. Not interfere with the ability of the Monitor to perform his or her duties pursuant to the Orders;

3. Pay the Monitor's fees and expenses as set forth in an agreement approved by the Commission, or if such agreement has not been approved, pay the Monitor's customary fees, as well as expenses the Monitor incurs performing his or her duties under the Order, including expenses of any consultants, accountants, attorneys, and other representatives and assistants that are reasonably necessary to assist the Monitor in carrying out his or her duties and responsibilities;

4. Not require the Monitor to disclose to Respondents the substance of the Monitor's communications with the Commission or any other Person or the substance of written reports submitted to the Commission pursuant to the Orders; and

5. Indemnify and hold the Monitor harmless against any loss, claim, damage, liability, and expense (including attorneys' fees and out of pocket costs) that arises out of, or is connected with, a claim concerning the performance of the Monitor's duties under the Orders, unless the loss, claim, damage, liability, or expense results from gross negligence or willful misconduct by the Monitor.

F. Respondents may require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to enter into a customary confidentiality agreement, so long as the agreement does not restrict the Monitor's ability to access personnel, information, and facilities or provide information to the Commission, or otherwise observe and report on the Respondents' compliance with the Orders.

G. If the Monitor resigns or the Commission determines that the Monitor has ceased to act, has failed to act diligently, or is otherwise unable to continue serving as a Monitor due to the existence of a conflict or other reasons, the Commission may appoint a substitute Monitor. The substitute Monitor shall be afforded all rights, powers, and authorities and shall be subject to all obligations of the Monitor Sections of the Orders. The Commission shall select the substitute Monitor, subject to the consent of the Respondents. Respondents:

1. Shall not unreasonably withhold consent to the appointment of the selected substitute Monitor;

2. Shall be deemed to have consented to the selection of the proposed substitute Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed substitute Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed substitute Monitor; and

3. May enter into an agreement with the substitute Monitor relating to the substitute Monitor's services that either (a) contains substantially the same terms as the Commission-approved agreement referenced in Paragraph VIII.C; or (b) receives Commission approval.

H. The Commission may on its own initiative or at the request of the Monitor issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of this Order.

IX. Divestiture Trustee

IT IS FURTHER ORDERED that:

A. If Respondents have not fully complied with the obligations to assign, grant, license, divest, transfer, deliver, or otherwise convey the Retail Fuel Assets as required by this Order, the Commission may appoint a trustee ("Divestiture Trustee") to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets in a manner that satisfies the requirements of this Order. In the event that the Commission or the Attorney General brings an action pursuant to § 5(*l*) of the Federal Trade Commission Act, 15 U.S.C. § 45(*l*), or any other statute enforced by the Commission, Respondents shall consent to the appointment of a Divestiture Trustee in such action to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under Section IX shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(*l*) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order.

B. The Commission shall select the Divestiture Trustee, subject to the consent of Respondents which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a Person with experience and expertise in acquisitions and divestitures. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within 10 days after notice by the staff of the Commission to Respondents of the identity of any proposed Divestiture Trustee, Respondents shall be deemed to have consented to the selection of the proposed Divestiture Trustee.

C. Not later than 10 days after the appointment of a Divestiture Trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the relevant divestitures required by this Order. Any failure by Respondents to comply with a trust agreement approved by the Commission shall be a violation of this Order.

D. If a Divestiture Trustee is appointed by the Commission or a court pursuant to Section IX, Respondents shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:

1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver, or otherwise convey the assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered, or otherwise conveyed;

2. The Divestiture Trustee shall have one year from the date the Commission approves the trustee agreement described herein to accomplish the divestitures, which shall be subject to the prior approval of the Commission. If, however, at the end of the one year period, the Divestiture Trustee has submitted a plan of divestiture or the Commission believes that the divestitures can be achieved within a reasonable time, the divestiture period may be extended by the Commission,

   Provided, however, the Commission may extend the divestiture period only 2 times;

3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered, or otherwise conveyed by this Order and to any other relevant information, as the Divestiture Trustee may request. Respondents shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Respondents shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestitures. Any delays in divestitures caused by Respondents shall extend the time for divestitures under Section IX in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court;

4. The Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favorable price and terms available in each contract that is submitted to the Commission, subject to Respondents' absolute and unconditional obligation to divest expeditiously and at no minimum price. The divestitures shall

be made in the manner and to Acquirers that receive the prior approval of the Commission as required by this Order,

Provided, however, if the Divestiture Trustee receives bona fide offers from more than one acquiring person for a divestiture, and if the Commission determines to approve more than one such acquiring person for the divestiture, the Divestiture Trustee shall divest to the acquiring person selected by Respondents from among those approved by the Commission,

Provided further, however, that Respondents shall select such person within 5 days of receiving notification of the Commission's approval;

5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Respondents, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Respondents, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission of the account of the Divestiture Trustee, including fees for the Divestiture Trustee's services, all remaining monies shall be paid at the direction of the Respondents, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant assets that are required to be divested by this Order;

6. Respondents shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence or willful misconduct by the Divestiture Trustee;

7. The Divestiture Trustee shall have no obligation or authority to operate or maintain the Retail Fuel Assets required to be divested by this Order;

8. The Divestiture Trustee shall report in writing to Respondents and to the Commission every 30 days concerning the Divestiture Trustee's efforts to accomplish the divestiture; and

9. Respondents may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement,

Provided, however, that such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.

E. The Commission may, among other things, require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign an appropriate confidentiality agreement related to Commission materials and information received in connection with the performance of the Divestiture Trustee's duties.

F. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in Section IX.

G. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestitures and other obligations or action required by this Order.

X. Prior Approval

IT IS FURTHERED ORDERED that Respondent Global shall not, without prior approval of the Commission, acquire directly or indirectly, through subsidiaries or otherwise, any leasehold, ownership interest, commission franchise interest, or any other interest, in whole or in part, in any Retail Fuel Business in any Prior Approval Location.

XI. Acquirer

IT IS FURTHER ORDERED that:

A. For a period of 3 years after the Divestiture Date, PMG or any other Acquirer shall not sell, or otherwise convey, through subsidiaries or otherwise, without the prior approval of the Commission, any of the Divestiture Locations that were divested pursuant to Section II, to any Person; and

B. For a period of 7 years after the term of Paragraph XI.A. ends, PMG or any other Acquirer shall not sell, or convey, through subsidiaries or otherwise, without the prior approval of the Commission, any of the Divestiture Locations that were divested pursuant to Section II, to any Person who owns, directly or indirectly, through subsidiaries or otherwise, leasehold, ownership interest, or any other interest, in whole or in part, any Retail Fuel Business in a Prior Approval Location.

Provided, however, PMG is not required to obtain prior approval of the Commission under this Section XI for:

(1) a change of control, merger, reorganization, or sale of

(a) all or substantially all of PMG's business, or

(b) the PMG business entities that contain all or substantially all of PMG's Retail Fuel Business, or

(2) any sale of a Divestiture Location to an existing dealer of a Divestiture Location that has exercised a right of first refusal under any statute or other law.

XII. Compliance Reports

IT IS FURTHER ORDERED that:

A. Respondent Global shall:

1. Notify Commission staff via email at bccompliance@ftc.gov of the Acquisition Date no later than 5 days after the Acquisition Date; and

2. Submit each complete Divestiture Agreement to the Commission at ElectronicFilings@ftc.gov and bccompliance@ftc.gov no later than 30 days after the Divestiture Date.

B. Respondent Global shall submit verified written reports ("compliance reports") in accordance with the following:

1. Respondent Global shall submit interim compliance reports 30 days after this Order is issued, and every 30 days thereafter until Respondent Global has fully complied with the provisions of Sections II and VI of this Order; annual compliance reports one year after the date this Order is issued, and annually thereafter for the next nine years on the anniversary of that date; and additional compliance reports as the Commission or its staff may request;

2. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondent Global is in compliance with the Order. Conclusory statements that Respondent Global has complied with its obligations under this Order are insufficient. Respondent Global shall include in its reports, among other information or documentation that may be necessary to demonstrate compliance, a full description of the measures Respondent Global has implemented or plans to implement to ensure that it has complied or will comply with each section of the Order.

3. For a period of 5 years after filing a compliance report, Respondent Global shall retain all material written communications with each party identified in each compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling its obligations under this Order during the period covered by such compliance report. Respondent Global shall provide copies of these documents to Commission staff upon request.

4. Respondent Global shall verify each compliance report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondent Global shall file its compliance reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and to the Compliance Division at bccompliance@ftc.gov, as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a). In addition, Respondent Global shall provide a copy of each compliance report to the Monitor if the Commission has appointed one in this matter.

XIII. Change in Respondents

IT IS FURTHER ORDERED that Respondent Global shall notify the Commission at least 30 days prior to:

A. Any proposed dissolution of Global Partners LP;

B. Any proposed acquisition, merger or consolidation of Global Partners LP; or

C. Any other change in Respondent Global, including assignment and the creation, sale, or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order.

XIV. Access

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and 5 days' notice to the relevant Respondent, made to its principal place of business as identified in this Order, registered office of its United States subsidiary, or its headquarters office, the notified Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

A. Access, during business office hours of the Respondent and in the presence of counsel, to all facilities and access to inspect and copy all business and other records and all documentary material and electronically stored information as defined in Commission Rules 2.71(a)(1) and (2), 16 C.F.R. § 2.71(a)(1) and (2), in the possession or under the control of the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at the request of the authorized representative of the Commission and at the expense of the Respondent; or

B. To interview officers, directors, or employees of the Respondent, who may have counsel present, regarding such matters.

XV. Purpose

IT IS FURTHER ORDERED that the purpose of this Order is to remedy the harm to

competition the Commission alleged in its Complaint and ensure the Acquirer can operate the Retail Fuel Assets at least equivalent in all material respects to the manner in which the Retail Fuel Assets were operated prior to the Acquisition.

XVI. Term

IT IS FURTHER ORDERED that this Order shall terminate 10 years from the date it is issued.

By the Commission.

April J. Tabor
Secretary

SEAL:

ISSUED:

Nonpublic Appendix A

Divestiture Agreement

[Redacted From the Public Record Version, But Incorporated By Reference]

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Noah Joshua Phillips
Rebecca Kelly Slaughter
Christine S. Wilson
Alvaro M. Bedoya

In the Matter of	)	
ARKO Corp., a corporation,	)	**DECISION AND ORDER** **Docket No. C-4773**
GPM Investments, LLC, a limited liability company,	)	
GPM Southeast, LLC, a limited liability company, and	)	
GPM Petroleum, LLC, a limited liability company.	)	

DECISION

The Federal Trade Commission ("Commission") initiated an investigation of the acquisition by GPM Southeast, LLC, and GPM Petroleum, LLC, directly controlled by GPM Investments, LLC, and indirectly controlled by ARKO Corp., (each a "Respondent" and collectively "Respondents") of certain assets from Corrigan Oil Company. The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45 (collectively "Acts").

Respondents and the Bureau of Competition executed an Agreement Containing Consent Order ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order ("Order").

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Acts, and that a complaint should issue stating its charges in that respect. The Commission accepts the executed Consent Agreement and places it on the public record for a period of 30 days for the receipt and consideration of public comments. Now, in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission makes the following jurisdictional findings and issues the following Order:

1. Respondent ARKO Corp. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 8565 Magellan Parkway, Suite 400, Richmond, Virginia 23227.

2. Respondent GPM Investments, LLC, is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its executive offices and principal place of business located at 8565 Magellan Parkway, Suite 400, Richmond, Virginia 23227.

3. Respondent GPM Southeast, LLC, is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its executive offices and principal place of business located at 8565 Magellan Parkway, Suite 400, Richmond, Virginia 23227.

4. Respondent GPM Petroleum, LLC, is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its executive offices and principal place of business located at 8565 Magellan Parkway, Suite 400, Richmond, Virginia 23227.

5. The Federal Trade Commission has jurisdiction over the subject matter of this proceeding and over the Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

IT IS HEREBY ORDERED that, as used in this Order, the following definitions shall apply:

A. "ARKO" means ARKO Corp., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions, groups, and affiliates controlled by ARKO Corp., including GPM Investments, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

B. "GPM Investments" means GPM Investments, LLC, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions, groups, and affiliates controlled by GPM Investments, LLC, including GPM

Southeast and GPM Petroleum, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

C. "GPM Southeast" means GPM Southeast, LLC, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions, groups, and affiliates controlled by GPM Southeast, LLC, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

D. "GPM Petroleum" means GPM Petroleum, LLC, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions, groups, and affiliates controlled by GPM Petroleum, LLC, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

E. "Corrigan" means Corrigan Oil Company, a corporation organized, existing, and doing business under and by virtue of the laws of the State of Michigan, with its executive offices and principal place of business located at 775 North Second Street #1, Brighton, Michigan 48116.

F. "Commission" means the Federal Trade Commission.

G. "Acquisition" means the acquisition consummated on May 18, 2021, pursuant to the Asset Purchase Agreement.

H. "Asset Purchase Agreement" means the agreement entitled "Asset Purchase Agreement by and between GPM Southeast, LLC, Broyles Hospitality, LLC, and GPM Petroleum, LLC, as Purchaser, and Corrigan Oil Co., Express Stop Real Estate Holdings, LLC, Express Stop Real Estate Holdings II LLC, BMH Realty, LLC, and the Entities Listed on the Signature Pages Hereto, as Seller, dated as of March 8, 2021."

I. "Business Information" means books, records, data, and information, wherever located and however stored, used in or related to the Retail Fuel Business relating to the Reacquired Assets, including documents, written information, graphic materials, and data and information in electronic format, along with the knowledge of employees, contractors, and representatives. Business Information includes books, records, data, and information relating to sales, marketing, logistics, products and SKUs, pricing, promotions, advertising, personnel, accounting, business strategy, information technology systems, customers, suppliers, vendors, research and development, underground storage tank ("UST") system registrations and reports, registrations, licenses, and permits, operations, and all other information used in the operation of the Retail Fuel Business relating to the Reacquired Assets.

J. "Closing Date" means the date on which Corrigan acquires the Reacquired Assets, which is on or prior to June 28, 2022, as defined in the Reacquisition Agreement.

K. "Confidential Information" means all Business Information not in the public domain, except for any information that was or becomes generally available to the public other than as a result of disclosure by Respondents.

L. "Contracts" means all agreements, leases, license agreements, consensual obligations, promises or undertakings (whether written or oral and whether express or implied), whether or not legally binding with third parties.

M. "Equipment" means all tangible personal property (other than Inventories) of every kind owned or leased by Respondents in connection with the operation of any Reacquired Location, including, but not limited to all: fixtures, furniture, computer equipment and third-party software, office equipment, telephone systems, security systems, registers, credit card systems, credit card invoice printers and electronic point of sale devices, money order machines and money order stock, shelving, display racks, walk-in boxes, furnishings, signage, canopies, fuel dispensing equipment, UST systems (including all fuel storage tanks, fill holes and fill hole covers and tops, pipelines, vapor lines, pumps, hoses, Stage I and Stage II vapor recovery equipment, containment devices, monitoring equipment, cathodic protection systems, and other elements associated with any of the foregoing), parts, tools, supplies, and all other items of equipment or tangible personal property of any nature or other systems used in the operation of any of the Reacquired Locations, together with any express or implied warranty by the manufacturers or sellers or lessors of any item or component part, to the extent such warranty is transferrable, and all maintenance records and other related documents.

N. "Fuel Products" means refined petroleum gasoline and diesel products.

O. "Governmental Authorization" means any consent, license, registration, or permit issued, granted, given, or otherwise made available by or under the authority of any governmental body or pursuant to any legal requirement.

P. "Inventories" means all inventories of every kind and nature for retail sale associated with any Reacquired Location, including: (1) Fuel Products, kerosene, and other petroleum-based motor fuels stored in bulk and held for sale to the public; and (2) usable, non-damaged and non-out-of-date products and items held for sale to the public, including, without limitation, food-related items requiring further processing, packaging, or preparation and ingredients from which prepared foods are made to be sold.

Q. "Lease Agreements" mean the following agreements:

1. Lease Agreement by and among Bay Road Express Stop #2, LLC and GPM Southeast, LLC, dated May 18, 2021, and all amendments, exhibits, attachments, agreements, and schedules thereto;

2. Lease Agreement by and among M-52 Express Stop #11, LLC and GPM Southeast, LLC, dated May 18, 2021, and all amendments, exhibits, attachments, agreements, and schedules thereto;

3. Lease Agreement by and among State Street Express Stop #13, LLC and GPM Southeast, LLC, dated May 18, 2021, and all amendments, exhibits, attachments, agreements, and schedules thereto;

4. Lease Agreement by and among N. Dort Express Stop, LLC and GPM Southeast, LLC, dated May 18, 2021, and all amendments, exhibits, attachments, agreements, and schedules thereto; and

5. Lease Agreement by and among Mason Express Stop, LLC and GPM Southeast, LLC, dated May 18, 2021, and all amendments, exhibits, attachments, agreements, and schedules thereto.

R. "Person" means any individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture or other entity or a governmental body.

S. "Prior Approval Location" means a Retail Fuel Business within a 3-mile driving distance from a Reacquired Location.

T. "Reacquired Assets" means Respondent's right, title, and interest in and to all assets relating to the Retail Fuel Business operated at the Reacquired Locations. These assets include the following:

1. All Equipment, including any Equipment removed from any Reacquired Locations since May 18, 2021 and not replaced;

2. All Inventories;

3. Rights under any and all Contracts, at the option of Corrigan;

4. All Governmental Authorizations and all pending applications therefor or renewals thereof, to the extent transferable;

5. All Business Information; and

6. All going concern value and goodwill.

Provided, however, that the Reacquired Assets need not include inventory bearing any trademarks or trade names of Respondents.

U. "Reacquired Locations" means the Retail Fuel Business operated by Respondents as of May 18, 2021, at the following locations:

1. 15801 South Oakley, Chesaning, Michigan, 48616;

2. 551 W. Columbia Street, Mason, Michigan, 48854;

3. 8010 North Dort Highway, Mount Morris, Michigan, 48458;

4. 2791 Bay Road, Saginaw, Michigan, 48602; and

5. 3540 State Street, Saginaw, Michigan, 48602.

V. "Reacquisition Agreement" means the Termination of Lease, Assignment, and Purchase Agreement between Respondent GPM Southeast and M-52 Express Stop #11, LLC, State Street Express Stop #13, LLC, N. Dort Express Stop, LLC, Mason Express Stop, LLC, and Bay Road Express Stop #2, LLC, dated April 27, 2022, and all amendments, exhibits, attachments, agreements, and schedules thereto, attached to this Order as Nonpublic Appendix A.

W. "Relevant Party" means any Person from whom a Respondent acquires a Retail Fuel Business or has acquired a Retail Fuel Business in the past 5 years, and with whom Respondent has entered into an agreement or understanding, whether written or oral, that restricts the Person from competing with a Retail Fuel Business.

X. "Retail Fuel Business" means all business activities related to (1) the retail sale of Fuel Products, and (2) the operation of any associated convenience store and other business or service.

Y. "Retained Assets" means Corrigan's right, title, and interest in all assets relating to the Reacquired Locations from May 18, 2021, to the Closing Date, including all real property interests (including fee simple interests and real property leasehold interests), easements, appurtenances, buildings and other physical structures, facilities, and improvements located thereon, owned, leased, or otherwise held.

II. Reacquisition and Prohibitions

IT IS FURTHER ORDERED that:

A. No later than the Closing Date, Respondents shall divest the Reacquired Assets, as ongoing businesses, absolutely and in good faith, to Corrigan.

B. No later than the Closing Date, Respondents shall terminate the Lease Agreements and Respondent GPM Southeast shall not lease any Retained Assets from Corrigan.

C. Respondents shall not, without prior approval of the Commission, hold or acquire, directly or indirectly, through subsidiaries or otherwise, any leasehold, ownership interest, commission franchise interest, or any other interest, in whole or in part, in any Retail Fuel Business in any Prior Approval Location.

D. Respondents shall not restrict Corrigan from competing against Respondents' Retail Fuel Business at any location, other than the locations acquired from Corrigan pursuant to the Acquisition and excluding the Reacquired Locations.

E. Respondents shall not restrict Corrigan from competing for more than 3 years from the date of the Acquisition or outside a 3-mile radius around the location of any Retail Fuel Business acquired by Respondents pursuant to the Acquisition, excluding the Reacquired Locations.

F. No later than the Closing Date, Respondents shall execute the Amended and Restated Non-Competition and Non-Solicitation Agreement with Corrigan, included in Nonpublic Appendix A as part of the Reacquisition Agreement, that replaces in its entirety the Non-Competition and Non-Solicitation Agreement attached as an exhibit to the Asset Purchase Agreement.

G. In connection with acquiring any Retail Fuel Business from a Person, Respondents shall not enter into or enforce any agreement or understanding, whether written or oral, that restricts the Person from competing with Respondents' Retail Fuel Business at any location, other than a restriction limited to a designated area around a location acquired from such Person.

H. Respondents shall provide, within 20 days of the issuance of this Order, written notification in the form of Appendix B to this Order to all Relevant Parties and going forward shall provide such notification to any Relevant Party to whom the Respondents have not previously provided notification under this Paragraph II.H.

III. Asset Maintenance

IT IS FURTHER ORDERED that until Respondents fully transfer each of the Reacquired Locations and related Reacquired Assets to the Acquirer, Respondents shall ensure that each of the Reacquired Locations and related Reacquired Assets are operated and maintained in the ordinary course of business consistent with past practices, and shall:

A. Operate the Retail Fuel Business relating to the Reacquired Assets in the ordinary course of business consistent with past practices and take all actions necessary to maintain the full economic viability, marketability, and competitiveness of such Retail Fuel Business;

B. Prevent the destruction, removal, wasting, deterioration, closing, or impairment (other than as a result of ordinary wear and tear) of the Reacquired Assets, including:

1. Maintaining, repairing, and replacing any Equipment to the extent and in a manner consistent with past practices;

2. Maintaining Inventory levels in a manner consistent with past practices;

3. Not terminating, canceling, renewing, or amending any Contract, except as consistent with past practices; and

4. Not entering any Contract that would restrain or restrict the ability of Corrigan to compete against Respondents;

C. Make any payment required to be paid under any Contract when due, and otherwise satisfy all liabilities and obligations associated with the Reacquired Assets;

D. Provide the Retail Fuel Business relating to the Reacquired Assets with sufficient funds to operate at least at current rates of operation, to meet all capital calls, to perform routine or necessary maintenance, to repair or replace facilities and equipment, and to carry on at least at their scheduled pace all capital projects, business plans, development projects, promotional activities, and marketing activities;

E. Provide resources as may be necessary to respond to competition against the Retail Fuel Business relating to the Reacquired Assets, prevent diminution in sales of such Retail Fuel Business, and maintain the competitive strength of such Retail Fuel Business;

F. Not reduce operating hours;

G. Not reduce, change, or modify in any material respect, the level of marketing, promotional, pricing, or advertising practices, programs, and policies for the Retail Fuel Business related to the Reacquired Assets, other than changes in the ordinary course of business consistent with changes made at Respondents' other businesses that Respondents will not divest;

H. Not target, encourage, or convert customers of the Retail Fuel Business relating to the Reacquired Assets to become customers of Respondents' other businesses; provided, however, that nothing in this subparagraph shall prevent Respondents from engaging in advertising, marketing, and promotion activities: (i) generally applicable to all of Respondents' businesses, or (ii) in the ordinary course of business and in accordance with past practice;

I. Provide support services at levels customarily provided by Respondents;

J. Maintain all licenses, permits, approvals, authorizations, or certifications related to or necessary for the operation of the Retail Fuel Business relating to the Reacquired Assets, and otherwise operate such Retail Fuel Business in accordance and compliance with all regulatory obligations and requirements;

K. Not sell, transfer, encumber, or otherwise impair the Reacquired Assets (other than in the manner prescribed in the Orders);

L. Not take any action that lessens the full economic viability, marketability, or competitiveness of the Reacquired Assets;

M. Not terminate the operations of the Retail Fuel Business relating to the Reacquired Assets;

N. Preserve the existing relationships with suppliers, customers, employees, governmental authorities, vendors, landlords, site operators, and others having business relationships with the Retail Fuel Business relating to the Reacquired Assets;

O. Maintain the working conditions, staffing levels, and a work force of equivalent size, training, and expertise associated with the Retail Fuel Business relating to the Reacquired Assets, including:

1. When vacancies occur, replacing the employees in the regular and ordinary course of business, in accordance with past practice; and

2. Not transferring any employees from the Retail Fuel Business relating to the Reacquired Assets to any of Respondents' assets or businesses.

Provided, however, that Respondents may take actions that Corrigan has requested or agreed to in writing and that has been approved in advance by Commission staff, in all cases to facilitate the Corrigan's reacquisition of the Reacquired Locations and related Reacquired Assets and consistent with the purposes of this Order.

IV. Confidential Information

IT IS FURTHER ORDERED that:

A. Respondents shall not disclose (including to its employees) or use for any reason or purpose, any Confidential Information received or maintained by Respondents relating to the Reacquired Assets; *provided, however,* that Respondents may disclose or use such Confidential Information in the course of:

1. Performing its obligations or as permitted under this Order; or

2. Complying with financial reporting requirements, obtaining legal advice, prosecuting or defending legal claims, investigations, or enforcing actions threatened or brought against any Reacquired Location, or as required by law or regulation, including any applicable securities exchange rules or regulations.

B. If disclosure or use of any Confidential Information is permitted to Respondents' employees or to any other Person under Paragraph IV.A of this Order, Respondents shall limit such disclosure or use (1) only to the extent such information is required, (2) only to those employees or Persons who require such information for the purposes permitted under Paragraph IV.A, and (3) only after such employees or Persons have signed an agreement to maintain the confidentiality of such information.

C. Respondents shall enforce the terms of this Section IV and take necessary actions to ensure that its employees and other Persons comply with the terms of this Section IV, including implementing access and data controls, training its employees, and other actions that Respondents would take to protect its own proprietary information.

V. Divestiture Trustee

IT IS FURTHER ORDERED that:

A. If Respondents have not fully complied with the obligations to assign, grant, license, divest, transfer, deliver, or otherwise convey the Reacquired Assets as required by this Order, the Commission may appoint a trustee ("Divestiture Trustee") to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets in a manner that satisfies the requirements of this Order. In the event that the Commission or the Attorney General brings an action pursuant to § 5(*l*) of the Federal Trade Commission Act, 15 U.S.C. § 45(*l*), or any other statute enforced by the Commission, Respondents shall consent to the appointment of a Divestiture Trustee in such action to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under Section V shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(*l*) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order.

B. The Commission shall select the Divestiture Trustee, subject to the consent of Respondents which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a Person with experience and expertise in acquisitions and divestitures. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within 10 days after notice by the staff of the Commission to Respondents of the identity of any proposed Divestiture Trustee, Respondents shall be deemed to have consented to the selection of the proposed Divestiture Trustee.

C. Not later than 10 days after the appointment of a Divestiture Trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the relevant divestitures required by this Order. Any failure by Respondents to comply with a trust agreement approved by the Commission shall be a violation of this Order.

D. If a Divestiture Trustee is appointed by the Commission or a court pursuant to Section V, Respondents shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:

1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver, or otherwise convey the assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered, or otherwise conveyed;

2. The Divestiture Trustee shall have one year from the date the Commission approves the trustee agreement described herein to accomplish the divestitures, which shall be subject to the prior approval of the Commission. If, however, at the end of the one-year period, the Divestiture Trustee has submitted a plan of divestiture or the Commission believes that the divestitures can be achieved within a reasonable time, the divestiture period may be extended by the Commission,

   Provided, however, the Commission may extend the divestiture period only 2 times;

3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered, or otherwise conveyed by this Order and to any other relevant information, as the Divestiture Trustee may request. Respondents shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Respondents shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestitures. Any delays in divestitures caused by Respondents shall extend the time for divestitures under Section V in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court;

4. The Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favorable price and terms available in each contract that is submitted to the Commission, subject to Respondents' absolute and unconditional obligation to divest expeditiously and at no minimum price. The divestitures shall be made in the manner and to acquirers that receive the prior approval of the Commission as required by this Order,

   Provided, however, if the Divestiture Trustee receives bona fide offers from more than one acquiring person for a divestiture, and if the Commission determines to approve more than one such acquiring person for the divestiture, the Divestiture Trustee shall divest to the acquiring person selected by Respondents from among those approved by the Commission,

   Provided further, however, that Respondents shall select such person within 5 days of receiving notification of the Commission's approval;

5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Respondents, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Respondents, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission of the account of the Divestiture Trustee, including fees for the Divestiture Trustee's services, all remaining monies shall be paid at the direction of the Respondents, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant assets that are required to be divested by this Order;

6. Respondents shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence or willful misconduct by the Divestiture Trustee;

7. The Divestiture Trustee shall have no obligation or authority to operate or maintain the Reacquired Assets required to be divested by this Order;

8. The Divestiture Trustee shall report in writing to Respondents and to the Commission every 30 days concerning the Divestiture Trustee's efforts to accomplish the divestiture; and

9. Respondents may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement,

   Provided, however, that such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.

E. The Commission may, among other things, require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign an appropriate confidentiality agreement related to Commission materials and information received in connection with the performance of the Divestiture Trustee's duties.

F. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in Section V.

G. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestitures and other obligations or action required by this Order.

VI. Compliance Reports

IT IS FURTHER ORDERED that Respondents shall submit verified written reports ("compliance reports") in accordance with the following:

A. Respondents shall submit a compliance report 30 days after the entry of this Order; one year after the entry of this Order; and annually thereafter for the next 10 years on the anniversary of that date; and additional compliance reports as the Commission or its staff may request.

B. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with the Order. Conclusory statements that Respondents have complied with its obligations under this Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, as well as a full description of the measures Respondent has implemented or plans to implement to ensure that Respondents have complied or will comply with each section of the Order, and, to the extent not provided in a prior compliance report, shall submit:

1. An executed copy of the Asset Purchase Agreement, the Reacquisition Agreement, and all amendments or revisions thereto, including the amendment executed pursuant to Paragraph II.F;

2. For any agreement related to the purchase of a Retail Fuel Business from a Person that restricts the Person from competing with any Retail Fuel Business, that Respondents contend does not violate Paragraph II.G of this Order, the following information: the parties to the agreement, the date the agreement was entered, a description of the acquired assets, and the nature and scope of the noncompete agreement; and

3. A list of all Relevant Parties who received the notice pursuant to Paragraph II.H of this Order, together with proof of service of the notice.

C. For a period of 5 years after filing a compliance report, Respondents shall retain all material written communications with each party identified in each compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondents' obligations under this Order during the period covered by such

compliance report. Respondents shall provide copies of these documents to Commission staff upon request.

D. Respondents shall verify each compliance report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondents shall file its compliance reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov, as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a).

VII. Change in Respondent

IT IS FURTHER ORDERED that Respondents shall each notify the Commission at least 30 days prior to:

A. The proposed dissolution of ARKO Corp., GPM Southeast, LLC, or GPM Petroleum, LLC;

B. The proposed acquisition, merger, or consolidation of ARKO Corp., GPM Southeast, LLC, or GPM Petroleum, LLC; or

C. Any other change in Respondents, including assignment and the creation, sale, or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order.

VIII. Access

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and 5 days' notice to Respondents, made to its principal place of business as identified in this Order, registered office of its United States subsidiary, or its headquarters office, the Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

A. Access, during business office hours of Respondents and in the presence of counsel, to all facilities and access to inspect and copy all business and other records and all documentary material and electronically stored information as defined in Commission Rules 2.71(a)(1) and (2), 16 C.F.R. § 2.71(a)(1) and (2), in the possession or under the control of the Respondents related to compliance with this Order, which copying services shall be provided by the Respondents at the request of the authorized representative of the Commission and at the expense of the Respondents; or

B. To interview officers, directors, or employees of Respondents, who may have counsel present, regarding such matters.

IX. Purpose

IT IS FURTHER ORDERED that the purpose of this Order is to remedy the harm to competition the Commission alleged in its Complaint and ensure that Corrigan can operate the Reacquired Assets at least equivalent in all material respects to the manner in which the Reacquired Assets were operated prior to the Acquisition.

X. Term

IT IS FURTHER ORDERED that this Order shall terminate on August 5, 2032.

By the Commission.

April J. Tabor
Secretary

SEAL:
ISSUED: August 5, 2022

Nonpublic Appendix A

Reacquisition Agreement

[Redacted From the Public Record Version, But Incorporated By Reference]

Appendix B

Notice to Affected Persons

[Respondent's letterhead]

[Name and address of recipient]

Dear **[Name of recipient]**:

This letter concerns a Decision and Order entered against ARKO Corp., GPM Southeast, LLC, and GPM Petroleum, LLC, by the Federal Trade Commission in Docket No. C-**[X]**. In connection with the acquisition of any Retail Fuel Business from a Person, the Order bars ARKO, GPM Southeast, and GPM Petroleum from entering into or enforcing any agreement that restricts the Person from competing with Respondents' Retail Fuel Business at any location, other than a location acquired from such Person.

A copy of the Order is attached to this letter. To the extent anything in this letter differs from the terms of the Order, the Order supersedes this letter. Further, capitalized terms in this letter have the same meaning as those terms do in the Order.

If you have concerns about whether ARKO, GPM Southeast, or GPM Petroleum are complying with their obligations under the Order, you may contact us at **[contact information for Respondents]**. You may also contact the Federal Trade Commission at bccompliance@ftc.gov.

Sincerely,

[name and title]

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Noah Joshua Phillips
Rebecca Kelly Slaughter
Christine S. Wilson
Alvaro M. Bedoya

In the Matter of	)	
JAB Consumer Partners SCA SICAR, a risk capital investment company,	)	**DECISION AND ORDER** **Docket No. C-4766**
National Veterinary Associates, Inc., a corporation, and	)	
SAGE Veterinary Partners, LLC, a limited liability company.	)	

DECISION

The Federal Trade Commission initiated an investigation of the proposed acquisition by Respondent National Veterinary Associates, Inc., a wholly owned subsidiary of Respondent JAB Consumer Partners SCA SICAR, of Respondent SAGE Veterinary Partners, LLC (collectively "Respondents"). The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45 (collectively "Acts").

Respondents and the Bureau of Competition executed an Agreement Containing Consent Orders ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order and Order to Maintain Assets.

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Acts, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments; at the same

time, it issued and served its Complaint and Order to Maintain Assets. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent JAB Consumer Partners SCA SICAR is a risk capital investment company organized, existing, and doing business under and by virtue of the laws of Luxembourg, with its executive offices and principal place of business located at 14 Boulevard Royal, Luxembourg L-2449, and its United States address for service of process is 1701 Pennsylvania Avenue, NW, Suite 801, Washington, DC 20006.

2. Respondent National Veterinary Associates, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its executive offices and principal place of business located at 29229 Canwood Street, Suite 100, Agoura Hills, California 91301.

3. Respondent SAGE Veterinary Partners, LLC is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 1390 Willow Pass Road, #470, Concord, California 95420.

4. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

A. "JAB" means JAB Consumer Partners SCA SICAR, its directors, officers, employees, agents, representatives, partners, successors, and assigns; and the joint ventures, subsidiaries, including National Veterinary Associates, Inc., partnerships, divisions, groups, and affiliates controlled by JAB Consumer Partners SCA SICAR, and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

B. "NVA" means National Veterinary Associates, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by National Veterinary Associates, Inc., and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

C. "SAGE" means SAGE Veterinary Partners, LLC, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries,

partnerships, divisions, groups, and affiliates controlled by SAGE Veterinary Partners, LLC, and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

D. "Nordic Capital" means Nordic Capital Epsilon SCA, SICAV-RAIF (acting in respect of its Compartment 1) ("Fund X"), a fund established and registered in Luxembourg, with its registered office at 8, rue Lou Hemmer L - 1748 Senningerberg, Luxembourg. Its overall management is vested in, and it acts through, its general partner, Nordic Capital Epsilon GP SARL (a company established in Luxembourg).

E. "UVC" means United Veterinary Care, LLC, a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 4360 Northlake Boulevard, Suite 214, Palm Beach Gardens, Florida 33410.

F. "Commission" means the Federal Trade Commission.

G. "Acquirer" means:

1. UVC; or

2. Any other Person that the Commission approves to acquire the Divestiture Clinics and Divestiture Clinic Assets pursuant to this Order.

H. "Acquisition" means the proposed acquisition described in the Equity Purchase Agreement dated as of June 14, 2021, by and among National Veterinary Associates, Inc., Chicago Pacific Founders Fund A, L.P., Chicago Pacific Founders Fund B, L.P., and CPF-SAGE Holdings, LLC and certain other equity holders of SAGE Veterinary Partners, LLC.

I. "Acquisition Date" means the date Respondents consummate the Acquisition.

J. "Business Information" means books, records, data, and information, wherever located and however stored, including electronic medical records, documents, written information, graphic materials, and data and information in electronic format. Business Information includes records and information relating to sales, marketing, advertising, personnel, accounting, business strategy, information technology systems, customers, suppliers, research and development, registrations, licenses, permits (to the extent transferable), and operations relating to the Divestiture Clinics.

K. "Confidential Business Information" means all Business Information not in the public domain, except for any information that was or becomes generally available to the public other than as a result of disclosure by Respondents.

L. "Contract" means an agreement, mutual understanding, arrangement, license agreement, lease, consensual obligation, commitment, promise, or undertaking, whether written or oral, express or implied, or legally binding or not.

M. "Direct Cost" means the cost of labor, materials, travel, and other expenditures. The cost of any labor included in Direct Cost shall not exceed the then-current average hourly wage rate, including benefits, for the employee providing such labor.

N. "Divestiture Agreement" means:

1. Asset Purchase Agreement dated as of November 3, 2021, by and among NVA North Peninsula Emergency Veterinary Management, LP, NVA SPEC Referral Veterinary Management, LP, NVA PETS Referral Veterinary Management, LP, National Veterinary Associates, Inc., United Veterinary Care, LLC, and United Veterinary Care Blocker, Inc., and all amendments, exhibits, attachments, agreements, and schedules thereto;

2. Asset Purchase Agreement dated as of November 3, 2021, by and among Texas Veterinary Management, LLC, Texas Veterinary, PLLC, SAGE Veterinary Partners, LLC, United Veterinary Care, LLC, and United Veterinary Care Blocker, LLC, and all amendments, exhibits, attachments, agreements, and schedules thereto; or

3. Any agreement between a Respondent (or a Divestiture Trustee) and an Acquirer to purchase the Divestiture Clinic Assets, and all amendments, exhibits, attachments, agreements, and schedules thereto.

The Divestiture Agreements are contained in Nonpublic Appendix A.

O. "Divestiture Clinics" mean the following:

1. Respondent SAGE's Central Texas Veterinary Specialty and Emergency Hospital – Round Rock, located at 301 Chisholm Trail, Round Rock, Texas 78681;

2. Respondent SAGE's Central Texas Veterinary Specialists and Emergency Hospital – North, located at 13301 1/2 North U.S. Highway 183, Austin, Texas 78750;

3. Respondent SAGE's Central Texas Veterinary Specialty and Emergency Hospital – South, located at 4434 Frontier Trail, Austin, Texas 78745;

4. Respondent NVA's North Peninsula Veterinary Emergency Clinic, located at 227 North Amphlett Boulevard, San Mateo, California 94401;

5. Respondent NVA's PETS Referral Center, located at 1048 University Avenue, Berkeley, California 94710; and

6. Respondent NVA's Solano-Napa Pet Emergency Clinic, located at 4437 Central Place, Suite B3, Fairfield, California 94534.

P. "Divestiture Clinic Assets" mean all of Respondents' rights, title, and interests in and to all tangible and intangible assets of every kind and description used in or relating to the Divestiture Clinics, including without limitation all:

1. Real Property;

2. Fixtures and Equipment;

3. Rights under any and all Contracts;

4. Inventory kept in the normal course of business, including, but not limited to, janitorial, office, and medical supplies, and pharmaceutical products;

5. Intellectual Property;

6. Business Information;

7. Accounts receivable relating to the Divestiture Clinics as of the Divestiture Date;

8. Cash deposits made by a client to Respondents prior to the Divestiture Date as prepayment for veterinary services yet to be performed at a Divestiture Clinic;

9. Governmental Permits, to the extent transferable; and

10. Any other assets that are used in, or necessary for, a Divestiture Clinic.

Provided, however, that "Divestiture Clinic Assets" do not include Excluded Assets.

Q. "Divestiture Clinic Employees" mean any and all full-time, part-time, or contract individuals employed at a Divestiture Clinic at any time since June 14, 2021. Divestiture Clinic Employees include veterinarians, veterinary technicians, and support staff.

R. "Divestiture Date" means the date on which Respondents (or a Divestiture Trustee appointed pursuant to Section IX of this Order) consummate the divestiture of the Divestiture Clinics as required by Section II of this Order.

S. "Divestiture Trustee" means the Person appointed by the Commission pursuant to Section IX of this Order.

T. "Employee Information" means for each Divestiture Clinic Employee, to the extent permitted by law, the following information summarizing the employment history of each employee that includes:

1. Name, job title or position, date of hire, and effective service date;

2. Specific description of the employee's responsibilities;

3. The base salary or current wages;

4. Most recent bonus paid, aggregate annual compensation for Respondent's last fiscal year, and current target or guaranteed bonus, if any;

5. Written performance reviews for the past three years, if any;

6. Employment status (*i.e.,* active or on leave or disability; full-time or part-time);

7. Any other material terms and conditions of employment in regard to such employee that are not otherwise generally available to similarly situated employees; and

8. At the Acquirer's option, copies of all employee benefit plans and summary plan descriptions (if any) applicable to the employee.

U. "Excluded Assets" mean:

1. Tax and medical records related to the Divestiture Clinics to the extent they are nontransferable by law;

2. Cash generated by the Divestiture Clinics prior to the Divestiture Date;

3. Licenses required to be held individually by a licensed veterinary professional;

4. Intellectual Property owned or licensed by Respondents NVA or SAGE that, prior to the Acquisition, was used by Respondents solely or primarily for purposes other than the Divestiture Clinics;

5. Software, including any third party practice management software, to the extent they are not assignable;

6. Employee benefit plans; and

7. Employee records (a) for any Divestiture Clinic Employee that is not transferred to Acquirer, or (b) prohibited to be transferred by law.

V. "Fixtures and Equipment" mean all furniture, fixtures, furnishings, machinery, equipment, computer hardware, supplies, and other tangible personal property used or held for use in the operation of each Divestiture Clinic, or if leased, the leasehold interest therein.

W. "Governmental Permit" means all consents, licenses, permits, approvals, registrations, certificates, rights, or other authorizations from any governmental entity necessary to effect the complete transfer and divestiture of the Divestiture Clinic Assets to the Acquirer for the operation of each of the Divestiture Clinics.

X. "Intellectual Property" means intellectual property of any kind including patents, patent applications, mask words, trademarks, service marks, copyrights, trade dress, commercial names, internet web sites, internet domain names, inventions, discoveries, written and unwritten know-how, trade secrets, and proprietary information.

Y. "Monitor" means any Person appointed by the Commission to serve as a monitor pursuant to the Orders.

Z. "Orders" mean this Order and the Order to Maintain Assets entered in this action.

AA. "Person" means any individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture, governmental body, or other entity.

BB. "Real Property" means the real property on which, or in which, any Divestiture Clinic is located, including real property used for parking and for other functions related to the Divestiture Clinic. Real Property includes all easements, appurtenances, licenses, and permits, together with all buildings and other structures, facilities, and improvements located thereon, owned, leased, or otherwise held.

CC. "Specialty or Emergency Veterinary Clinic" means a veterinary clinic: (1) that offers 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation and where a veterinarian is in attendance at all hours of operation, or (2) where one or more veterinarians, whether on a permanent or non-permanent basis, offer services on-site or adjacent to the site, on a regularly scheduled basis (i.e., daily or weekly), legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more specialty or specialties.

Provided, however, that "Specialty or Emergency Veterinary Clinic" does not include a general practice clinic unless the clinic: (1) offers 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation and where a veterinarian is in attendance at all hours of operation, or (2) offers services on-site or adjacent to the site, whether on a permanent or non-permanent basis, on a regularly scheduled basis (i.e., daily or weekly), where one or more veterinarians legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more specialty or specialties.

DD. "Transition Assistance" means technical services, personnel, assistance, training, and other logistical, administrative, and other transitional support as required by the Acquirer

to facilitate the transfer of the Divestiture Clinics to the Acquirer, including training, personnel, and support related to audits, finance and accounting, accounts receivable, accounts payable, employee benefits, payroll, pensions, human resources, general medical products supply, purchasing, quality control, transfer of information technology and related systems, maintenance and repair of facilities and Fixtures and Equipment, use of any name or brand used in the business of the respective Divestiture Clinic for transitional purposes, Governmental Permits, regulatory compliance, sales and marketing, patient services, and supply chain management and patient transfer logistics.

II. Divestiture

IT IS FURTHER ORDERED that:

A. No later than 10 days after the Acquisition Date, Respondents shall divest the Divestiture Clinics, absolutely and in good faith, as ongoing businesses, to UVC;

Provided, however, that, if within 12 months after the date the Commission issues this Order, the Commission determines, in consultation with the Acquirer and the Monitor, the Acquirer needs one or more of the Excluded Assets to operate the Divestiture Clinics in a manner that achieves the purpose of this Order, Respondents shall divest or license, absolutely and in good faith, such needed Excluded Assets to the Acquirer.

B. At the option of the Acquirer, Respondents shall grant the Acquirer a royalty-free, worldwide, non-exclusive license for the use, without any limitation, of any Intellectual Property necessary to operate the Divestiture Clinics, including but not limited to, any hospital management software, to use for a period of one year following the Divestiture Date.

C. If Respondents have divested the Divestiture Clinics to UVC prior to the date this Order becomes final, and if, at the time the Commission determines to make this Order final, the Commission notifies Respondents that:

1. UVC is not acceptable as the acquirer of the Divestiture Clinics, then Respondents shall immediately rescind the Divestiture Agreements, and shall divest the Divestiture Clinics no later than 120 days from the date this Order is issued, absolutely and in good faith, at no minimum price, to a Person that receives the prior approval of the Commission and in a manner that receives the prior approval of the Commission; or

2. The manner in which the divestiture of the Divestiture Clinics to UVC was accomplished is not acceptable, the Commission may direct Respondents, or appoint a Divestiture Trustee, to effect such modifications to the manner of divestiture of the Divestiture Clinics as the Commission may determine are necessary to satisfy the requirements of this Order.

D. Respondents shall assist the Acquirer to conduct a due diligence investigation of the Divestiture Clinics that the Acquirer seeks to purchase, including by providing sufficient and timely access to all information customarily provided as part of a due diligence process, and affording the Acquirer and its representatives (including prospective lenders and their representatives) full and free access, during regular business hours, to the personnel, assets, Contracts, and Business Information, with such rights of access to be exercised in a manner that does not unreasonably interfere with the operations of Respondents.

E. Respondents shall not consummate the Acquisition until they have obtained for all the Divestiture Clinics:

1. All approvals for the assignment to the Acquirer of the rights, title, and interest to each lease for Real Property of each Divestiture Clinic; and

2. All Governmental Permits necessary for the Acquirer to operate each Divestiture Clinic, as of the Divestiture Date, in substantially the same manner as Respondents NVA or SAGE operated the Divestiture Clinic.

F. Respondents shall place no restrictions on the use by the Acquirer of any of the Divestiture Clinics to be divested to such Acquirer, or interfere with or otherwise attempt to interfere with any Acquirer's use of any of the Divestiture Clinics to be divested to such Acquirer, including seeking or requesting the imposition of governmental restrictions on the Acquirer's business operations relating to the Divestiture Clinics.

III. Divestiture Agreements

IT IS FURTHER ORDERED that:

A. Each Divestiture Agreement shall be incorporated by reference into this Order and made a part hereof, and any failure by Respondents to comply with the terms of a Divestiture Agreement shall constitute a violation of this Order;

Provided, however, that no Divestiture Agreement shall limit, or be construed to limit, the terms of this Order. To the extent any provision in the Divestiture Agreements varies from or conflicts with any provision in the Order such that Respondents cannot fully comply with both, Respondents shall comply with the Order.

B. Respondents shall not modify or amend the terms of the Divestiture Agreements after the Commission issues this Order without the prior approval of the Commission, except as otherwise provided in Commission Rule 2.41(f)(5), 16 C.F.R. § 2.41(f)(5).

IV. Transition Assistance

IT IS FURTHER ORDERED that:

A. At the option of the Acquirer, Respondents shall provide the Acquirer with Transition Assistance sufficient to (1) efficiently transfer the Divestiture Clinics to the Acquirer, and (2) assist the Acquirer in operating the Divestiture Clinics in all material respects in the manner in which they were operated prior to the Acquisition.

B. Respondents shall provide such Transition Assistance:

1. As set forth in the Divestiture Agreements, or as otherwise reasonably requested by the Acquirer (whether before or after the Divestiture Date);

2. At the price set forth in the Divestiture Agreements, or if no price is set forth, at Direct Cost; and

3. For a period sufficient to meet the requirements of Section IV, which shall be, at the option of the Acquirer, for a period not to exceed one year after the Divestiture Date.

C. Respondents shall allow the Acquirer to terminate, in whole or part, any Transition Assistance provisions of the Divestiture Agreements upon commercially reasonable notice and without cost or penalty.

D. Respondents shall not cease providing Transition Assistance due to a breach by the Acquirer of the Divestiture Agreements, and shall not limit any damages (including indirect, special, and consequential damages) that the Acquirer would be entitled to receive in the event of Respondents' breach of any agreement relating to Transition Assistance.

V. Employees

IT IS FURTHER ORDERED that:

A. Until 6 months after the Divestiture Date, Respondents shall cooperate with and assist the Acquirer of the Divestiture Clinics to evaluate independently and offer employment to the Divestiture Clinic Employees.

B. Respondents shall:

1. No later than 10 days after a request from the Acquirer, provide to the Acquirer a list of all Divestiture Clinic Employees and provide Employee Information for each;

2. No later than 10 days after a request from the Acquirer, provide the Acquirer an opportunity to meet outside the presence or hearing of any employee or agent of

Respondents with any of the Divestiture Clinic Employees, and to make offers of employment to any of the Divestiture Clinic Employees;

3. Remove any impediments within the control of Respondents that may deter Divestiture Clinic Employees from accepting employment with the Acquirer, including removal of any noncompete or confidentiality provisions of employment or other Contracts with Respondents that may affect the ability or incentive of those individuals to be employed by the Acquirer, and shall not make any counteroffer to a Divestiture Clinic Employee who receives an offer of employment from the Acquirer;

   Provided, however, that nothing in this Order shall be construed to require Respondents to terminate the employment of any employee or prevent Respondents from continuing the employment of any employee;

4. Continue to provide Divestiture Clinic Employees compensation and benefits, including regularly scheduled raises and bonuses and the vesting of benefits while they are employed by Respondents; and

5. Not interfere, directly or indirectly, with the hiring or employing by the Acquirer of any Divestiture Clinic Employee, not offer any incentive to such employees to decline employment with the Acquirer, and not otherwise interfere with the recruitment of any Divestiture Clinic Employee by the Acquirer.

C. Respondents shall provide financial incentives for Divestiture Clinic Employees to continue in their positions. Such incentives may include, but are not limited to, guaranteeing a retention bonus for the veterinarians at the Divestiture Clinics to assure their continued employment at such clinic, a continuation of all employee benefits, including the funding of regularly scheduled raises and bonuses, and the vesting of pension benefits (as permitted by law and for those Divestiture Clinic Employees covered by a pension plan) offered by Respondents.

D. Respondents shall not, for a period of one year for veterinarians, and for a period of 90 days for all other Divestiture Clinic Employees, solicit or otherwise attempt to induce, directly or indirectly, any of the Divestiture Clinic Employees who have accepted offers of employment with the Acquirer to terminate his or her employment with the Acquirer;

   Provided, however, Respondents may:

1. Hire an employee whose employment has been terminated by the Acquirer;

2. Advertise for employees in newspapers, trade publications, or other media, or engage recruiters to conduct general employee search activities, in either case not targeted specifically at one or more Divestiture Clinic Employees; or

3. Hire an employee who has applied for employment with Respondents, as long as

such application was not solicited or induced in violation of Section V.

E. For one year following the Divestiture Date, Respondents shall not solicit the business of any patient who received any goods or services from the Divestiture Clinics between June 14, 2021, and the Divestiture Date.

Provided, however, Respondents may (1) make general advertisements for the business of such patients including in newspapers, trade publications, websites, or other media not targeted specifically at such patients, and (2) provide advertising and promotions directly to any patient that initiates discussions with, or makes a request to, any employee of Respondents.

F. Respondents shall not enter into any agreement with the Acquirer that restricts the Acquirer from soliciting Respondents' employees for employment at the Acquirer.

VI. Asset Maintenance

IT IS FURTHER ORDERED that until the Respondents fully transfer each of the Divestiture Clinics to the Acquirer, Respondents shall, subject to their obligations under the Order to Maintain Assets:

A. Operate the Divestiture Clinics in the ordinary course of business consistent with past practices and take all actions necessary to maintain the full economic viability, marketability, and competitiveness of each Divestiture Clinic;

B. Prevent the destruction, removal, wasting, deterioration, closing, or impairment (other than as a result of ordinary wear and tear) of the Divestiture Clinics, including:

1. Maintaining, repairing, and replacing any equipment and other tangible personal property to the extent and in a manner consistent with past practices;

2. Maintaining inventory levels in a manner consistent with past practices;

3. Not terminating, canceling, renewing, or amending any Contract, except as consistent with past practices; and

4. Not entering any Contract that would restrain or restrict the ability of the Acquirer to compete against Respondents;

C. Make any payment required to be paid under any Contract when due, and otherwise satisfy all liabilities and obligations associated with the Divestiture Clinics;

D. Provide the Divestiture Clinics with sufficient funds to operate at least at current rates of operation, to meet all capital calls, to perform routine or necessary maintenance, to repair or replace facilities and equipment, and to carry on at least at their scheduled pace all capital projects, business plans, research and development projects, promotional activities, and sales and marketing activities;

E. Provide resources as may be necessary to respond to competition against the Divestiture Clinics, prevent diminution in sales, and maintain the competitive strength of each Divestiture Clinic;

F. Not reduce operating hours for the Divestiture Clinics;

G. Not reduce, change, or modify in any material respect, the level of sales, marketing, promotion, pricing, or advertising practices, programs, and policies for the Divestiture Clinics, other than changes in the ordinary course of business consistent with changes made at Respondents' other businesses that Respondents will not divest;

H. Not target, encourage, or convert customers of the Divestiture Clinics to become customers of Respondents' other businesses that will not be divested;

Provided, however, that nothing in this Paragraph VI.H shall prevent Respondents from engaging in advertising, marketing, and promotional activities: (1) generally applicable to all of Respondents' businesses, or (2) in the ordinary course of business and in accordance with past practices;

I. Provide support services at levels customarily provided by Respondents;

J. Maintain all licenses, permits, approvals, authorizations, or certifications related to or necessary for the operation of the Divestiture Clinics, and otherwise operate each Divestiture Clinic in accordance and compliance with all regulatory obligations and requirements;

K. Not sell, transfer, encumber, or otherwise impair the Divestiture Clinics (other than in the manner prescribed in the Orders);

L. Not take any action that lessens the full economic viability, marketability, or competitiveness of the Divestiture Clinics;

M. Not terminate the operations of the Divestiture Clinics;

N. Preserve the existing relationships with suppliers, customers, employees, governmental authorities, vendors, landlords, site operators, and others having business relationships with the Divestiture Clinics;

O. Maintain the working conditions, staffing levels, and a work force of equivalent size, training, and expertise associated with the Divestiture Clinics, including:

1. When vacancies occur, replacing the employees in the regular and ordinary course of business, in accordance with past practice; and

2. Not transferring any employees from the Divestiture Clinics to any of Respondents' assets or businesses that Respondents will not divest.

Provided, however, that Respondents may take actions that the Acquirer has requested or agreed to in writing and that have been approved in advance by Commission staff, in all cases to facilitate the Acquirer's acquisition of the Divestiture Clinics and consistent with the purposes of the Orders.

VII. Confidentiality

IT IS FURTHER ORDERED that:

A. Respondents shall not disclose (including as to Respondents' employees), and not use, for any reason or purpose, any Confidential Business Information received or maintained by Respondents,

Provided, however, that Respondents may disclose or use such Confidential Business Information in the course of:

1. Performing their obligations or as permitted under the Orders or any Divestiture Agreement; or

2. Complying with financial reporting requirements, historical record-keeping for audit purposes, obtaining legal advice, prosecuting or defending legal claims, investigations, or enforcing actions threatened or brought against the Divestiture Clinic Assets or Divestiture Clinics, or as required by law, rule or regulation.

B. If disclosure or use of any Confidential Business Information is permitted to Respondents' employees or to any other Person under Section VII, Respondents shall limit such disclosure or use (1) only to the extent such information is required, (2) only to those employees or Persons who require such information for the purposes permitted under Paragraph VII.A, and (3) only after such employees or Persons have signed an agreement to maintain the confidentiality of such information.

C. Respondents shall enforce the terms of Section VII and take necessary actions to ensure that their employees or other Persons comply with its terms, including implementing access and data controls, training of employees, and taking other actions that Respondents would take to protect their own trade secrets and proprietary information.

VIII. Monitor

IT IS FURTHER ORDERED that:

A. The Commission appoints Dr. Michael Cavanaugh as the Monitor to observe and report on Respondents' compliance with their obligations as set forth in the Orders.

B. The Respondents and the Monitor may enter into an agreement relating to the Monitor's services. Any such agreement:

1. Shall be subject to the approval of the Commission;

2. Shall not limit, and the signatories shall not construe it to limit, the terms of Section VIII or the Section relating to the Monitor in the Order to Maintain Assets ("Monitor Sections"), and to the extent any provision in the agreement varies from or conflicts with any provision in the Monitor Sections, Respondents and the Monitor shall comply with the Monitor Sections; and

3. Shall include a provision stating that the agreement does not limit, and the signatories shall not construe it to limit, the terms of the Orders in this matter, and to the extent any provision in the agreement varies from or conflicts with any provision in the Orders, Respondents and the Monitor shall comply with the Orders.

C. The Monitor shall:

1. Have the authority to monitor Respondents' compliance with the obligations set forth in the Orders;

2. Act in consultation with the Commission or its staff;

3. Serve as an independent third party and not as an employee or agent of Respondents or of the Commission;

4. Serve without bond or other security;

5. At the Monitor's option, employ such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;

6. Enter into a non-disclosure or other confidentiality agreement with the Commission related to Commission materials and information received in connection with the performance of the Monitor's duties and require that each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants shall also enter into a non-disclosure or other confidentiality agreement with the Commission;

7. Notify staff of the Commission, in writing, no later than 5 days in advance of entering into any arrangement that creates a conflict of interest, or the appearance of a conflict of interest, including a financial, professional, or personal conflict. If the Monitor becomes aware of a such a conflict only after it has arisen, the

Monitor shall notify the Commission as soon as the Monitor becomes aware of the conflict;

8. Report in writing to the Commission concerning Respondents' compliance with the Orders on a schedule set by Commission staff and at any other time requested by Commission staff; and

9. Unless the Commission or its staff determine otherwise, the Monitor shall serve until Commission staff determines that Respondents have satisfied all obligations under Sections II, IV, and VI, and files a final report.

D. Respondents shall:

1. Cooperate with and assist the Monitor in performing his or her duties for the purpose of reviewing Respondents' compliance with their obligations under the Orders, including as requested by the Monitor, (a) providing the Monitor full and complete access to personnel, information, and facilities; and (b) making such arrangements with third parties to facilitate access by the Monitor;

2. Not interfere with the ability of the Monitor to perform his or her duties pursuant to the Orders;

3. Pay the Monitor's fees and expenses as set forth in an agreement approved by the Commission, or if such agreement has not been approved, pay the Monitor's customary fees, as well as expenses the Monitor incurs performing his or her duties under the Orders, including expenses of any consultants, accountants, attorneys, and other representatives and assistants that are reasonably necessary to assist the Monitor in carrying out his or her duties and responsibilities;

4. Not require the Monitor to disclose to Respondents the substance of the Monitor's communications with the Commission or any other Person or the substance of written reports submitted to the Commission pursuant to the Orders; and

5. Indemnify and hold the Monitor harmless against any loss, claim, damage, liability, and expense (including attorneys' fees and out of pocket costs) that arises out of, or is connected with, a claim concerning the performance of the Monitor's duties under the Orders, unless the loss, claim, damage, liability, or expense results from gross negligence or willful misconduct by the Monitor.

E. Respondents may require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to enter into a customary confidentiality agreement, so long as the agreement does not restrict the Monitor's ability to access personnel, information, and facilities or provide information to the Commission, or otherwise observe and report on the Respondents' compliance with the Orders.

F. If the Monitor resigns or the Commission determines that the Monitor has ceased to act, has failed to act diligently, or is otherwise unable to continue serving as a Monitor due to the existence of a conflict or other reasons, the Commission may appoint a substitute Monitor. The substitute Monitor shall be afforded all rights, powers, and authorities and shall be subject to all obligations of the Monitor Sections of the Orders. The Commission shall select the substitute Monitor, subject to the consent of the Respondents. Respondents:

1. Shall not unreasonably withhold consent to the appointment of the selected substitute Monitor;

2. Shall be deemed to have consented to the selection of the proposed substitute Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed substitute Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed substitute Monitor; and

3. May enter into an agreement with the substitute Monitor relating to the substitute Monitor's services that either (a) contains substantially the same terms as the Commission-approved agreement referenced in Paragraph VIII.B; or (b) receives Commission approval.

G. The Commission may on its own initiative or at the request of the Monitor issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of the Orders.

IX. Divestiture Trustee

IT IS FURTHER ORDERED that:

A. If Respondents have not fully complied with the obligations to assign, grant, license, divest, transfer, deliver, or otherwise convey the Divestiture Clinics as required by this Order, the Commission may appoint a trustee ("Divestiture Trustee") to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets in a manner that satisfies the requirements of this Order.

B. In the event that the Commission or the Attorney General brings an action pursuant to § 5(*l*) of the Federal Trade Commission Act, 15 U.S.C. § 45(l), or any other statute enforced by the Commission, Respondents shall consent to the appointment of a Divestiture Trustee in such action to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under Section IX shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(*l*) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order.

C. The Commission shall select the Divestiture Trustee, subject to the consent of Respondents, which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a person with experience and expertise in acquisitions and divestitures. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within 10 days after notice by the staff of the Commission to Respondents of the identity of any proposed Divestiture Trustee, Respondents shall be deemed to have consented to the selection of the proposed Divestiture Trustee.

D. Not later than 10 days after the appointment of a Divestiture Trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the relevant divestiture or other action required by the Order.

E. If a Divestiture Trustee is appointed by the Commission or a court pursuant to Section IX, Respondents shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:

1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver, or otherwise convey the assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered, or otherwise conveyed;

2. The Divestiture Trustee shall have one year from the date the Commission approves the trustee trust agreement described herein to accomplish the divestitures, which shall be subject to the prior approval of the Commission. If, however, at the end of the one year period, the Divestiture Trustee has submitted a plan of divestiture or the Commission believes that the divestitures can be achieved within a reasonable time, the divestiture period may be extended by the Commission,

   Provided, however, the Commission may extend the divestiture period only 2 times;

3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered, or otherwise conveyed by this Order and to any other relevant information, as the Divestiture Trustee may request. Respondents shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Respondents shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestitures. Any delays in divestitures caused by Respondents shall extend the time for divestitures under Section IX in an amount equal to the delay, as

determined by the Commission or, for a court-appointed Divestiture Trustee, by the court;

4. The Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favorable price and terms available in each Contract that is submitted to the Commission, subject to Respondents' absolute and unconditional obligation to divest expeditiously and at no minimum price. The divestitures shall be made in the manner and to an Acquirer that receives the prior approval of the Commission as required by this Order,

   Provided, however, if the Divestiture Trustee receives bona fide offers from more than one acquiring person for a divestiture, and if the Commission determines to approve more than one such acquiring person for the divestiture, the Divestiture Trustee shall divest to the acquiring person selected by Respondents from among those approved by the Commission,

   Provided further, however, that Respondents shall select such person within 5 days of receiving notification of the Commission's approval;

5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Respondents, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Respondents, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission of the account of the Divestiture Trustee, including fees for the Divestiture Trustee's services, all remaining monies shall be paid at the direction of the Respondents, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant assets that are required to be divested by this Order;

6. Respondents shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence or willful misconduct by the Divestiture Trustee;

7. The Divestiture Trustee shall have no obligation or authority to operate or maintain the Divestiture Clinics required to be divested by this Order;

8. The Divestiture Trustee shall report in writing to Respondents and to the Commission every 30 days concerning the Divestiture Trustee's efforts to accomplish the divestiture; and

9. Respondents may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement,

Provided, however, that such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.

F. The Commission may, among other things, require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a confidentiality agreement related to Commission materials and information received in connection with the performance of the Divestiture Trustee's duties.

G. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in Section IX, and who will have the same authority and responsibilities of the original Divestiture Trustee pursuant to Section IX.

H. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestitures and other obligations or action required by this Order.

X. Respondents Prior Approval

IT IS FURTHER ORDERED that Respondents shall not, directly or indirectly, through subsidiaries, partnerships, or otherwise, without the prior approval of the Commission, acquire any ownership or leasehold interest in any veterinary practice, clinic, or facility within the states of California or Texas if the acquired practice, clinic, or facility does, or within the 6 months prior to the date of such acquisition, did or had plans to:

A. Offer 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation, has one or more employed veterinarians in attendance at all hours of operation, and that is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinics in California or Texas offering the same service; or

B. Employ one or more veterinarians who legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more veterinary specialty or specialties, and that is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinic in California or Texas that employs one or more veterinarians who legally hold themselves out as specialists in veterinary medicine, and

have board certification in the same specialty or specialties.

Provided, *however*, that Respondents are not required to obtain the prior approval of the Commission for the Respondents' construction or opening of new facilities.

Provided further, however, that if Respondents propose to acquire any ownership interest in any veterinary practice, described in X.A. and X.B, above, that owns any interest in or operates within the states of California or Texas and other states, including if such an acquisition requires a Hart-Scott-Rodino premerger notification, this Section applies only to the veterinary practices within the states of California and Texas, except that prior approval shall not be required if such proposed acquisition has already been notified under the Hart-Scott-Rodino Premerger Notification Act at the time this Order is put on the public record for comment.

XI. Respondents Prior Notice

IT IS FURTHER ORDERED that:

A. Respondents shall not, directly or indirectly, through subsidiaries, partnerships or otherwise, without providing advance written notification to the Commission, acquire any ownership or leasehold interest in any veterinary practice, clinic, or facility within the United States and its territories if the acquired practice, clinic, or facility does, or within the 6 months prior to the date of such acquisition, did or had plans to:

1. Offer 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation, has one or more veterinarians in attendance at all hours of operation, and is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinic offering the same services; or

2. Offer services on-site or adjacent to the site, on a regularly scheduled basis (i.e., daily or weekly), whether permanent or on a non-permanent basis, provided by one or more veterinarians who legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more specialty or specialties, and is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinic offering services, on-site or adjacent to the site, whether permanent or on a non-permanent basis provided by one or more veterinarians with the same board certification;

Provided, *however,* that advance written notification shall not apply to Respondents' construction or opening of new facilities.

B. Notification under this Paragraph shall be given on the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations as amended, and shall be prepared and transmitted in accordance with the requirements of

that part, except that no filing fee will be required for any such notification, notification shall be filed with the Secretary of the Commission, notification need not be made to the United States Department of Justice, and notification is required only of Respondents and not of any other party to the transaction. Respondents shall provide the notification to the Commission at least thirty (30) days prior to consummating any such transaction (hereinafter referred to as the "first waiting period"). If, within the first waiting period, representatives of the Commission make a written request for additional information or documentary material (within the meaning of 16 C.F.R. § 803.20), Respondents shall not consummate the transaction until thirty (30) days after substantially complying with such request. Early termination of the waiting periods in this Paragraph may be requested and, where appropriate, granted by letter from the Bureau of Competition. Provided, however, that prior notification shall not be required by this Paragraph for a transaction for which notification is required to be made, and has been made, pursuant to Section 7A of the Clayton Act, 15 U.S.C. § 18a.

XII. Acquirer Prior Approval

IT IS FURTHER ORDERED that, for a period of 10 years after the Divestiture Date, neither Nordic Capital, UVC, nor any other Acquirer shall sell or otherwise convey to any Person, through subsidiaries or otherwise, without the prior approval of the Commission, any of the Divestiture Clinics that were divested pursuant to Section II;

Provided, however, Nordic Capital and UVC are not required to obtain prior approval of the Commission under this Section XII for a change of control, merger, reorganization, or sale of all or substantially all of UVC's business.

XIII. Compliance Reports

IT IS FURTHER ORDERED that:

A. Respondents shall:

1. Notify Commission staff via email at bccompliance@ftc.gov of the Acquisition Date and each Divestiture Date no later than 5 days after the occurrence of each; and

2. Submit the complete Divestiture Agreements to the Commission at ElectronicFilings@ftc.gov and bccompliance@ftc.gov no later than 30 days after the relevant Divestiture Date.

B. Respondents shall submit verified written reports ("compliance reports") in accordance with the following:

1. Respondents shall submit:

a. Interim compliance reports 30 days after the Order is issued, and every 60 days thereafter until Respondents have fully complied with the provisions of Sections II and IV;

b. Annual compliance reports one year after the date this Order is issued, and annually for the next 9 years on the anniversary of that date; and

c. Additional compliance reports as the Commission or its staff may request.

2. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with this Order. Conclusory statements that Respondents have complied with their obligations under this Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, a full description of the measures Respondents have implemented and plan to implement to comply with each paragraph of the Orders.

3. For a period of 5 years after filing a Compliance Report, each Respondent shall retain all material written communications with each party identified in the compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondents' obligations under the Orders and provide copies of these documents to Commission staff upon request.

C. Respondents shall verify each compliance report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondents shall file their compliance reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov, as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a). In addition, Respondents shall provide a copy of each compliance report to the Monitor if the Commission has appointed one in this matter.

XIV. Change in Respondents

IT IS FURTHER ORDERED that Respondents JAB and NVA shall notify the Commission at least 30 days prior to:

A. The proposed dissolution of JAB Consumer Partners SCA SICAR or National Veterinary Associates, Inc., respectively;

B. The proposed acquisition, merger, or consolidation of JAB Consumer Partners SCA SICAR or National Veterinary Associates, Inc., respectively; or

C. Any other change in Respondents JAB and NVA, including assignment and the creation, sale, or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order.

XV. Access

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to Respondents, Respondents shall, without restraint or interference, permit any duly authorized representative of the Commission:

A. Access, during business office hours of the Respondents and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and all other records and documents in the possession, or under the control, of the Respondents related to compliance with this Order, which copying services shall be provided by the Respondents at their expense; and

B. To interview officers, directors, or employees of the Respondents, who may have counsel present, regarding such matters.

XVI. Purpose

IT IS FURTHER ORDERED that the purpose of this Order is to remedy the harm to competition the Commission alleged in its Complaint and ensure the Acquirer can operate the Divestiture Clinics at least equivalent in all material respects to the manner in which Respondents NVA and SAGE operated the Divestiture Clinics prior to the Acquisition.

XVII. Term

IT IS FURTHER ORDERED that this Order shall terminate on August 2, 2032.

By the Commission.

April J. Tabor
Secretary

SEAL:
ISSUED: August 2, 2022

Nonpublic Appendix A

Divestiture Agreements

[Redacted From the Public Record Version, But Incorporated By Reference]

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Noah Joshua Phillips
Rebecca Kelly Slaughter
Christine S. Wilson
Alvaro M. Bedoya

In the Matter of	)	
JAB Consumer Partners SCA SICAR, a risk capital investment company,	)	**DECISION AND ORDER** **Docket No. C-4770**
National Veterinary Associates, Inc., a corporation,	)	
VIPW, LLC, a limited liability company, and	)	
Ethos Veterinary Health LLC, a limited liability company.	)	

DECISION

The Federal Trade Commission initiated an investigation of the proposed acquisition by Respondent National Veterinary Associates, Inc., a wholly owned subsidiary of Respondent JAB Consumer Partners SCA SICAR **,**of Respondent VIPW, LLC, including its wholly owned subsidiary Respondent Ethos Veterinary Health LLC (collectively "Respondents"). The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45 (collectively "Acts").

Respondents and the Bureau of Competition executed an Agreement Containing Consent Orders ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other

provisions as required by the Commission's Rules, and (4) a proposed Decision and Order and Order to Maintain Assets.

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Acts, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments; at the same time, it issued and served its Complaint and Order to Maintain Assets. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent JAB Consumer Partners SCA SICAR is a risk capital investment company organized, existing, and doing business under and by virtue of the laws of Luxembourg, with its executive offices and principal place of business located at 14 Boulevard Royal, Luxembourg L-2449, and its United States address for service of process is 1701 Pennsylvania Avenue, NW, Suite 801, Washington, DC 20006.

2. Respondent National Veterinary Associates, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its executive offices and principal place of business located at 29229 Canwood Street, Suite 100, Agoura Hills, California 91301.

3. Respondent VIPW, LLC is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 150 Presidential Way, Suite 200, Woburn, Massachusetts 01801.

4. Respondent Ethos Veterinary Health LLC is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 150 Presidential Way, Suite 200, Woburn, Massachusetts 01801.

5. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

A. "JAB" means JAB Consumer Partners SCA SICAR, its directors, officers, employees, agents, representatives, partners, successors, and assigns; and the joint ventures, subsidiaries, including National Veterinary Associates, Inc., partnerships, divisions, groups, and affiliates controlled by JAB Consumer Partners SCA SICAR, and the

respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

B. "NVA" means National Veterinary Associates, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by National Veterinary Associates, Inc., and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

C. "VIPW" means VIPW, LLC, its directors, officers, employees, agents, representatives, partners, successors, and assigns; and the joint ventures, subsidiaries, including Ethos Veterinary Health LLC, partnerships, divisions, groups, and affiliates controlled by VIPW, LLC, and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

D. "Ethos" means Ethos Veterinary Health LLC, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Ethos Veterinary Health LLC, and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

E. "Percheron" means Percheron Capital Fund I LP, a limited partnership organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at One Letterman Drive, Building C, Suite CP-500, San Francisco, California 94129.

F. "Veritas" means GSV Holding, LLC (d/b/a Veritas Veterinary Partners), a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 1 Pine Street, Tinton Falls, New Jersey 07753.

G. "Nordic Capital" means Nordic Capital Epsilon SCA, SICAV-RAIF (acting in respect of its Compartment 1), a fund established and registered in Luxembourg, with its registered office at 8, rue Lou Hemmer L — 1748, Senningerberg, Luxembourg. Its overall management is vested in, and it acts through, its general partner, Nordic Capital Epsilon GP SARL (a company established in Luxembourg).

H. "UVC" means United Veterinary Care, LLC, a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at 4360 Northlake Boulevard, Suite 214, Palm Beach Gardens, Florida 33410.

I. "Commission" means the Federal Trade Commission.

J. "Acquirer" means:

1. UVC;

2. Veritas; or

3. Any other Person that the Commission approves to acquire the Divestiture Clinics and Divestiture Clinic Assets pursuant to this Order.

K. "Acquisition" means the proposed acquisition described in the Stock Purchase Agreement and Plan of Merger, dated as of August 13, 2021, by and among National Veterinary Associates, Inc., Lyceum Merger Sub LLC, VIPW, LLC, CPV Ethos Blocker, Inc., BBH Capital Partners V, L.P., BBH Capital Partners V-A, L.P., Honeywell International Inc. Master Retirement Trust, and the Sellers' Representative.

L. "Acquisition Date" means the date Respondents consummate the Acquisition.

M. "Business Information" means books, records, data, and information, wherever located and however stored, including electronic medical records, documents, written information, graphic materials, and data and information in electronic format. Business Information includes records and information relating to sales, marketing, advertising, personnel, accounting, business strategy, information technology systems, customers, suppliers, research and development, registrations, licenses, permits (to the extent transferable), and operations relating to the Divestiture Clinics.

N. "CA/CO Divestiture Clinics" mean the following:

1. Respondent Ethos' Pet Emergency & Specialty Center of Marin (PESCM), located at 901 Francisco Blvd. E, San Rafael, California 94901; and

2. Respondent Ethos' Wheat Ridge Animal Hospital, located at 10140 W. 44th Avenue, Wheat Ridge, Colorado 80033.

O. "CA/CO Divestiture Clinic Assets" mean all of Respondents' rights, title, and interests in and to all tangible and intangible assets of every kind and description used in or relating to the CA/CO Divestiture Clinics, including without limitation all:

1. Real Property;

2. Fixtures and Equipment;

3. Rights under any and all Contracts;

4. Inventory kept in the normal course of business, including, but not limited to, janitorial, office, and medical supplies, and pharmaceutical products;

5. Intellectual Property;

6. Business Information;

7. Accounts receivable relating to the CA/CO Divestiture Clinics as of the Divestiture Date;

8. Cash deposits made by a client to Respondents prior to the Divestiture Date as prepayment for veterinary services yet to be performed at a CA/CO Divestiture Clinic;

9. Governmental Permits, to the extent transferable; and

10. Any other assets that are used in, or necessary for, a CA/CO Divestiture Clinic.

P. "Confidential Business Information" means all Business Information not in the public domain, except for any information that was or becomes generally available to the public other than as a result of disclosure by Respondents.

Q. "Contract" means an agreement, mutual understanding, arrangement, license agreement, lease, consensual obligation, commitment, promise, or undertaking, whether written or oral, express or implied, or legally binding or not.

R. "Direct Cost" means the cost of labor, materials, travel, and other expenditures. The cost of any labor included in Direct Cost shall not exceed the then-current average hourly wage rate, including benefits, for the employee providing such labor.

S. "Divestiture Agreement" means:

1. Asset Purchase Agreement dated as of April 17, 2022, by and among Ethos Veterinary Health LLC, VIPW, LLC, Athens Buyer GP, LLC, GSV Holding, LLC, and National Veterinary Associates, Inc., and all amendments, exhibits, attachments, agreements, and schedules thereto;

2. Asset Purchase Agreement dated as of April 17, 2022, by and among Ethos Veterinary Health LLC, VIPW, LLC, United Veterinary Care, LLC, United Veterinary Care Blocker, Inc., and National Veterinary Associates, Inc., and all amendments, exhibits, attachments, agreements, and schedules thereto; or

3. Any agreement between a Respondent (or a Divestiture Trustee) and an Acquirer to purchase any Divestiture Clinic Assets, and all amendments, exhibits, attachments, agreements, and schedules thereto.

The Divestiture Agreements are contained in Nonpublic Appendix A.

T. "Divestiture Clinics" mean:

1. The CA/CO Divestiture Clinics; and

2. The VA Divestiture Clinics.

U. "Divestiture Clinic Assets" mean:

1. The CA/CO Divestiture Clinic Assets; and

2. The VA Divestiture Clinic Assets.

Provided, however, that "Divestiture Clinic Assets" do not include Excluded Assets.

V. "Divestiture Clinic Employees" mean any and all full-time, part-time, or contract individuals employed at a Divestiture Clinic at any time since August 13, 2021. Divestiture Clinic Employees include veterinarians, veterinary technicians, and support staff.

W. "Divestiture Date" means, for each of the respective Divestiture Clinics, the date on which Respondents (or a Divestiture Trustee appointed pursuant to Section IX of this Order) consummate the divestiture of the relevant Divestiture Clinic or Clinics as required by Section II of this Order.

X. "Divestiture Trustee" means the Person appointed by the Commission pursuant to Section IX of this Order.

Y. "Employee Information" means for each Divestiture Clinic Employee, to the extent permitted by law, the following information summarizing the employment history of each employee that includes:

1. Name, job title or position, date of hire, and effective service date;

2. Specific description of the employee's responsibilities;

3. The base salary or current wages;

4. Most recent bonus paid, aggregate annual compensation for Respondent's last fiscal year, and current target or guaranteed bonus, if any;

5. Written performance reviews for the past three years, if any;

6. Employment status (*i.e.,* active or on leave or disability; full-time or part-time);

7. Any other material terms and conditions of employment in regard to such employee that are not otherwise generally available to similarly situated employees; and

8. At the Acquirer's option, copies of all employee benefit plans and summary plan descriptions (if any) applicable to the employee.

Z. "Excluded Assets" mean:

1. Tax and medical records related to the Divestiture Clinics to the extent they are nontransferable by law;

2. Cash generated by the Divestiture Clinics prior to the Divestiture Date;

3. Licenses required to be held individually by a licensed veterinary professional;

4. Intellectual Property owned or licensed by Respondent Ethos that, prior to the Acquisition, was used by Ethos solely or primarily for purposes other than the Divestiture Clinics;

5. Software, including any third party practice management software, to the extent they are not assignable;

6. Employee benefit plans; and

7. Employee records (a) for any Divestiture Clinic Employee that is not transferred to an Acquirer, or (b) prohibited to be transferred by law.

AA. "Fixtures and Equipment" mean all furniture, fixtures, furnishings, machinery, equipment, computer hardware, supplies, and other tangible personal property used or held for use in the operation of each Divestiture Clinic, or if leased, the leasehold interest therein.

BB. "Governmental Permit" means all consents, licenses, permits, approvals, registrations, certificates, rights, or other authorizations from any governmental entity necessary to effect the complete transfer and divestiture of the Divestiture Clinic Assets to an Acquirer for the operation of each Divestiture Clinic.

CC. "Intellectual Property" means intellectual property of any kind including patents, patent applications, mask words, trademarks, service marks, copyrights, trade dress, commercial names, internet web sites, internet domain names, inventions, discoveries, written and unwritten know-how, trade secrets, and proprietary information.

DD. "Monitor" means any Person appointed by the Commission to serve as a monitor pursuant to the Orders.

EE. "Orders" mean this Order and the Order to Maintain Assets entered in this action.

FF. "Person" means any individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture, governmental body, or other entity.

GG. "Real Property" means the real property on which, or in which, any Divestiture Clinic is located, including real property used for parking and for other functions related to the Divestiture Clinic. Real Property includes all easements, appurtenances, licenses, and permits, together with all buildings and other structures, facilities, and improvements located thereon, owned, leased, or otherwise held.

HH. "Specialty or Emergency Veterinary Clinic" means a veterinary clinic: (1) that offers 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation and where a veterinarian is in attendance at all hours of operation, or (2) where one or more veterinarians, whether on a permanent or non-permanent basis, offer services on-site or adjacent to the site, on a regularly scheduled basis (i.e., daily or weekly), legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more specialty or specialties.

Provided, however, that "Specialty or Emergency Veterinary Clinic" does not include a general practice clinic unless the clinic: (1) offers 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation and where a veterinarian is in attendance at all hours of operation, or (2) offers services on-site or adjacent to the site, whether on a permanent or non-permanent basis, on a regularly scheduled basis (i.e., daily or weekly), where one or more veterinarians legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more specialty or specialties.

II. "Transition Assistance" means technical services, personnel, assistance, training, and other logistical, administrative, and other transitional support as required by an Acquirer to facilitate the transfer of the relevant Divestiture Clinics to that Acquirer, including training, personnel, and support related to audits, finance and accounting, accounts receivable, accounts payable, employee benefits, payroll, pensions, human resources, general medical products supply, purchasing, quality control, transfer of information technology and related systems, maintenance and repair of facilities and Fixtures and Equipment, use of any name or brand used in the business of the respective Divestiture Clinic for transitional purposes, Governmental Permits, regulatory compliance, sales and marketing, patient services, and supply chain management and patient transfer logistics.

JJ. "VA Divestiture Clinics" mean the following:

1. Respondent Ethos' The Oncology Service-Leesburg, located at 134 Fort Evans Road NE, Leesburg, Virginia 20176;

2. Respondent Ethos' The Oncology Service-Richmond, located at 5711 Staples Mill Road #102, Richmond, Virginia 23228 ; and

3. Respondent Ethos' The Oncology Service-Springfield, located at 6651 Backlick Road, Springfield, Virginia 22150.

4. Respondent Ethos' de novo location at 5904 Richmond Highway, Alexandria, Virginia 22303.

KK. "VA Divestiture Clinic Assets" mean all of Respondents' rights, title, and interests in and to all tangible and intangible assets of every kind and description used in or relating to the VA Divestiture Clinics, including without limitation all:

1. Real Property;

2. Fixtures and Equipment;

3. Rights under any and all Contracts;

4. Inventory kept in the normal course of business, including, but not limited to, janitorial, office, and medical supplies, and pharmaceutical products;

5. Intellectual Property;

6. Business Information;

7. Accounts receivable relating to the VA Divestiture Clinics as of the Divestiture Date;

8. Cash deposits made by a client to Respondents prior to the Divestiture Date as prepayment for veterinary services yet to be performed at a VA Divestiture Clinic;

9. Governmental Permits, to the extent transferable; and

10. Any other assets that are used in, or necessary for, a VA Divestiture Clinic.

II. Divestiture

IT IS FURTHER ORDERED that:

A. No later than 10 days after the Acquisition Date, Respondents shall divest:

1. the CA/CO Divestiture Clinics and CA/CO Divestiture Clinic Assets, absolutely and in good faith, as ongoing businesses, to Veritas; and

2. the VA Divestiture Clinics and VA Divestiture Clinic Assets, absolutely and in good faith, as ongoing businesses, to UVC;

Provided, however, that, if within 12 months after the date the Commission issues this Order, the Commission determines, in consultation with an Acquirer and the Monitor, the Acquirer needs one or more of the Excluded Assets to operate the relevant Divestiture Clinics in a manner that achieves the purpose of this Order, Respondents shall divest or license, absolutely and in good faith, such needed Excluded Assets to the Acquirer.

B. At the option of an Acquirer, Respondents shall grant the relevant Acquirer a royalty-free, worldwide, non-exclusive license for the use, without any limitation, of any Intellectual Property necessary to operate the relevant Divestiture Clinics, including but not limited to, any hospital management software, to use for a period of one year following the Divestiture Date.

C. If Respondents have divested the Divestiture Clinics to Veritas or UVC prior to the date this Order becomes final, and if, at the time the Commission determines to make this Order final, the Commission notifies Respondents that:

1. Veritas is not acceptable as the acquirer of the CA/CO Divestiture Clinics, then Respondents shall immediately rescind the Divestiture Agreements relating to Veritas, and shall divest the CA/CO Divestiture Clinics, individually or together, no later than 120 days from the date this Order is issued, absolutely and in good faith, at no minimum price, to a Person that receives the prior approval of the Commission and in a manner that receives the prior approval of the Commission; or

2. UVC is not acceptable as the acquirer of the VA Divestiture Clinics, then Respondents shall immediately rescind the Divestiture Agreements relating to UVC, and shall divest the VA Divestiture Clinics no later than 120 days from the date this Order is issued, absolutely and in good faith, at no minimum price, to a Person that receives the prior approval of the Commission and in a manner that receives the prior approval of the Commission; or

3. The manner in which the divestiture of the Divestiture Clinics to Veritas or UVC was accomplished is not acceptable, the Commission may direct Respondents, or appoint a Divestiture Trustee, to effect such modifications to the manner of divestiture of the relevant Divestiture Clinics as the Commission may determine are necessary to satisfy the requirements of this Order.

D. Respondents shall assist each Acquirer to conduct a due diligence investigation of the Divestiture Clinics that the relevant Acquirer seeks to purchase, including by providing sufficient and timely access to all information customarily provided as part of a due diligence process, and affording the Acquirer and its representatives (including prospective lenders and their representatives) full and free access, during regular business hours, to the personnel, assets, Contracts, and Business Information, with such rights of access to be exercised in a manner that does not unreasonably interfere with the operations of Respondents.

E. Respondents shall not consummate the Acquisition until they have obtained for all the Divestiture Clinics:

1. All approvals for the assignment to the relevant Acquirer of the rights, title, and interest to each lease for Real Property of each Divestiture Clinic; and

2. All Governmental Permits necessary for the relevant Acquirer to operate each Divestiture Clinic, as of the Divestiture Date, in substantially the same manner as Respondent Ethos operated the Divestiture Clinic.

F. Respondents shall place no restrictions on the use by an Acquirer of any of the Divestiture Clinics to be divested to such Acquirer, or interfere with or otherwise attempt to interfere with any Acquirer's use of any of the Divestiture Clinics to be divested to such Acquirer, including seeking or requesting the imposition of governmental restrictions on the Acquirer's business operations relating to the relevant Divestiture Clinics.

III. Divestiture Agreements

IT IS FURTHER ORDERED that:

A. Each Divestiture Agreement shall be incorporated by reference into this Order and made a part hereof, and any failure by Respondents to comply with the terms of a Divestiture Agreement shall constitute a violation of this Order;

Provided, however, that no Divestiture Agreement shall limit, or be construed to limit, the terms of this Order. To the extent any provision in the Divestiture Agreements varies from or conflicts with any provision in the Order such that Respondents cannot fully comply with both, Respondents shall comply with the Order.

B. Respondents shall not modify or amend the terms of the Divestiture Agreements after the Commission issues this Order without the prior approval of the Commission, except as otherwise provided in Commission Rule 2.41(f)(5), 16 C.F.R. § 2.41(f)(5).

IV. Transition Assistance

IT IS FURTHER ORDERED that:

A. At the option of an Acquirer, Respondents shall provide the relevant Acquirer with Transition Assistance sufficient to (1) efficiently transfer the relevant Divestiture Clinics to the Acquirer, and (2) assist the Acquirer in operating the relevant Divestiture Clinics in all material respects in the manner in which they were operated prior to the Acquisition.

B. Respondents shall provide such Transition Assistance:

1. As set forth in the Divestiture Agreements, or as otherwise reasonably requested by an Acquirer (whether before or after the relevant Divestiture Date);

2. At the price set forth in the Divestiture Agreements, or if no price is set forth, at Direct Cost; and

3. For a period sufficient to meet the requirements of Section IV, which shall be, at the option of an Acquirer, for a period not to exceed one year after the relevant Divestiture Date.

C. Respondents shall allow an Acquirer to terminate, in whole or part, any Transition Assistance provisions of the relevant Divestiture Agreements upon commercially reasonable notice and without cost or penalty.

D. Respondents shall not cease providing Transition Assistance due to a breach by an Acquirer of the Divestiture Agreements, and shall not limit any damages (including indirect, special, and consequential damages) that an Acquirer would be entitled to receive in the event of Respondents' breach of any agreement relating to Transition Assistance.

V. Employees

IT IS FURTHER ORDERED that:

A. Until 6 months after a Divestiture Date, Respondents shall cooperate with and assist the Acquirer of relevant Divestiture Clinics to evaluate independently and offer employment to the relevant Divestiture Clinic Employees.

B. Respondents shall:

1. No later than 10 days after a request from an Acquirer, provide to the Acquirer a list of all relevant Divestiture Clinic Employees and provide Employee Information for each;

2. No later than 10 days after a request from an Acquirer, provide the Acquirer an opportunity to meet outside the presence or hearing of any employee or agent of Respondents with any of the relevant Divestiture Clinic Employees, and to make offers of employment to any of the relevant Divestiture Clinic Employees;

3. Remove any impediments within the control of Respondents that may deter Divestiture Clinic Employees from accepting employment with an Acquirer, including removal of any noncompete or confidentiality provisions of employment or other Contracts with Respondents that may affect the ability or incentive of those individuals to be employed by the Acquirer, and shall not make any counteroffer to a Divestiture Clinic Employee who receives an offer of employment from the Acquirer;

Provided, however, that nothing in this Order shall be construed to require Respondents to terminate the employment of any employee or prevent Respondents from continuing the employment of any employee;

4. Continue to provide Divestiture Clinic Employees compensation and benefits, including regularly scheduled raises and bonuses and the vesting of benefits while they are employed by Respondents; and

5. Not interfere, directly or indirectly, with the hiring or employing by an Acquirer of any of the relevant Divestiture Clinic Employees, not offer any incentive to such employees to decline employment with an Acquirer, and not otherwise interfere with the recruitment of any of the relevant Divestiture Clinic Employees by an Acquirer.

C. Respondents shall provide financial incentives for Divestiture Clinic Employees to continue in their positions. Such incentives may include, but are not limited to, guaranteeing a retention bonus for the veterinarians at the Divestiture Clinics to assure their continued employment at such clinic, a continuation of all employee benefits, including the funding of regularly scheduled raises and bonuses, and the vesting of pension benefits (as permitted by law and for those Divestiture Clinic Employees covered by a pension plan) offered by Respondents.

D. Respondents shall not, for a period of one year for veterinarians, and for a period of 90 days for all other Divestiture Clinic Employees, solicit or otherwise attempt to induce, directly or indirectly, any of the Divestiture Clinic Employees who have accepted offers of employment with an Acquirer to terminate his or her employment with the Acquirer;

Provided, however, Respondents may:

1. Hire an employee whose employment has been terminated by an Acquirer;

2. Advertise for employees in newspapers, trade publications, or other media, or engage recruiters to conduct general employee search activities, in either case not targeted specifically at one or more Divestiture Clinic Employees; or

3. Hire an employee who has applied for employment with Respondents, as long as such application was not solicited or induced in violation of Section V.

E. For one year following the relevant Divestiture Date, Respondents shall not solicit the business of any patient who received any goods or services from a Divestiture Clinic between August 13, 2021, and the Divestiture Date for that Divestiture Clinic.

Provided, however, Respondents may (1) make general advertisements for the business of such patients including in newspapers, trade publications, websites, or other media not targeted specifically at such patients, and (2) provide advertising and promotions directly

to any patient that initiates discussions with, or makes a request to, any employee of Respondents.

F. Respondents shall not enter into any agreement with an Acquirer that restricts the Acquirer from soliciting Respondents' employees for employment at the Acquirer.

VI. Asset Maintenance

IT IS FURTHER ORDERED that until the Respondents fully transfer each of the Divestiture Clinics to the relevant Acquirer, Respondents shall, subject to their obligations under the Order to Maintain Assets:

A. Operate the Divestiture Clinics in the ordinary course of business consistent with past practices and take all actions necessary to maintain the full economic viability, marketability, and competitiveness of each Divestiture Clinic;

B. Prevent the destruction, removal, wasting, deterioration, closing, or impairment (other than as a result of ordinary wear and tear) of the Divestiture Clinics, including:

1. Maintaining, repairing, and replacing any equipment and other tangible personal property to the extent and in a manner consistent with past practices;

2. Maintaining inventory levels in a manner consistent with past practices;

3. Not terminating, canceling, renewing, or amending any Contract, except as consistent with past practices; and

4. Not entering any Contract that would restrain or restrict the ability of an Acquirer to compete against Respondents;

C. Make any payment required to be paid under any Contract when due, and otherwise satisfy all liabilities and obligations associated with the Divestiture Clinics;

D. Provide the Divestiture Clinics with sufficient funds to operate at least at current rates of operation, to meet all capital calls, to perform routine or necessary maintenance, to repair or replace facilities and equipment, and to carry on at least at their scheduled pace all capital projects, business plans, research and development projects, promotional activities, and sales and marketing activities;

E. Provide resources as may be necessary to respond to competition against the Divestiture Clinics, prevent diminution in sales, and maintain the competitive strength of each Divestiture Clinic;

F. Not reduce operating hours for the Divestiture Clinics;

G. Not reduce, change, or modify in any material respect, the level of sales, marketing, promotion, pricing, or advertising practices, programs, and policies for the Divestiture Clinics, other than changes in the ordinary course of business consistent with changes made at Respondents' other businesses that Respondents will not divest;

H. Not target, encourage, or convert customers of the Divestiture Clinics to become customers of Respondents' other businesses that will not be divested;

Provided, however, that nothing in this Paragraph VI.H shall prevent Respondents from engaging in advertising, marketing, and promotional activities: (1) generally applicable to all of Respondents' businesses, or (2) in the ordinary course of business and in accordance with past practices;

I. Provide support services at levels customarily provided by Respondents;

J. Maintain all licenses, permits, approvals, authorizations, or certifications related to or necessary for the operation of the Divestiture Clinics, and otherwise operate each Divestiture Clinic in accordance and compliance with all regulatory obligations and requirements;

K. Not sell, transfer, encumber, or otherwise impair the Divestiture Clinics (other than in the manner prescribed in the Orders);

L. Not take any action that lessens the full economic viability, marketability, or competitiveness of the Divestiture Clinics;

M. Not terminate the operations of the Divestiture Clinics;

N. Preserve the existing relationships with suppliers, customers, employees, governmental authorities, vendors, landlords, site operators, and others having business relationships with the Divestiture Clinics;

O. Maintain the working conditions, staffing levels, and a work force of equivalent size, training, and expertise associated with the Divestiture Clinics, including:

1. When vacancies occur, replacing the employees in the regular and ordinary course of business, in accordance with past practice; and

2. Not transferring any employees from the Divestiture Clinics to any of Respondents' assets or businesses that Respondents will not divest.

Provided, however, that Respondents may take actions that an Acquirer has requested or agreed to in writing and that have been approved in advance by Commission staff, in all cases to facilitate the Acquirer's acquisition of the relevant Divestiture Clinics and consistent with the purposes of the Orders.

VII. Confidentiality

IT IS FURTHER ORDERED that:

A. Respondents shall not disclose (including as to Respondents' employees), and not use, for any reason or purpose, any Confidential Business Information received or maintained by Respondents,

Provided, however, that Respondents may disclose or use such Confidential Business Information in the course of:

1. Performing their obligations or as permitted under the Orders or any Divestiture Agreement; or

2. Complying with financial reporting requirements, historical record-keeping for audit purposes, obtaining legal advice, prosecuting or defending legal claims, investigations, or enforcing actions threatened or brought against the Divestiture Clinic Assets or Divestiture Clinics, or as required by law, rule or regulation.

B. If disclosure or use of any Confidential Business Information is permitted to Respondents' employees or to any other Person under Section VII, Respondents shall limit such disclosure or use (1) only to the extent such information is required, (2) only to those employees or Persons who require such information for the purposes permitted under Paragraph VII.A, and (3) only after such employees or Persons have signed an agreement to maintain the confidentiality of such information.

C. Respondents shall enforce the terms of Section VII and take necessary actions to ensure that their employees or other Persons comply with its terms, including implementing access and data controls, training of employees, and taking other actions that Respondents would take to protect their own trade secrets and proprietary information.

VIII. Monitor

IT IS FURTHER ORDERED that:

A. The Commission appoints Dr. Michael Cavanaugh as the Monitor to observe and report on Respondents' compliance with their obligations as set forth in the Orders.

B. The Respondents and the Monitor may enter into an agreement relating to the Monitor's services. Any such agreement:

1. Shall be subject to the approval of the Commission;

2. Shall not limit, and the signatories shall not construe it to limit, the terms of Section VIII or the Section relating to the Monitor in the Order to Maintain Assets ("Monitor Sections"), and to the extent any provision in the agreement varies

from or conflicts with any provision in the Monitor Sections, Respondents and the Monitor shall comply with the Monitor Sections; and

3. Shall include a provision stating that the agreement does not limit, and the signatories shall not construe it to limit, the terms of the Orders in this matter, and to the extent any provision in the agreement varies from or conflicts with any provision in the Orders, Respondents and the Monitor shall comply with the Orders.

C. The Monitor shall:

1. Have the authority to monitor Respondents' compliance with the obligations set forth in the Orders;

2. Act in consultation with the Commission or its staff;

3. Serve as an independent third party and not as an employee or agent of Respondents or of the Commission;

4. Serve without bond or other security;

5. At the Monitor's option, employ such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;

6. Enter into a non-disclosure or other confidentiality agreement with the Commission related to Commission materials and information received in connection with the performance of the Monitor's duties and require that each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants shall also enter into a non-disclosure or other confidentiality agreement with the Commission;

7. Notify staff of the Commission, in writing, no later than 5 days in advance of entering into any arrangement that creates a conflict of interest, or the appearance of a conflict of interest, including a financial, professional, or personal conflict. If the Monitor becomes aware of a such a conflict only after it has arisen, the Monitor shall notify the Commission as soon as the Monitor becomes aware of the conflict;

8. Report in writing to the Commission concerning Respondents' compliance with the Orders on a schedule set by Commission staff and at any other time requested by Commission staff; and

9. Serve until Commission staff determines that Respondents have satisfied all obligations under Sections II, IV, and VI, and the Monitor files a final report, unless the Commission or its staff determines otherwise.

D. Respondents shall:

1. Cooperate with and assist the Monitor in performing his or her duties for the purpose of reviewing Respondents' compliance with their obligations under the Orders, including as requested by the Monitor, (a) providing the Monitor full and complete access to personnel, information, and facilities; and (b) making such arrangements with third parties to facilitate access by the Monitor;

2. Not interfere with the ability of the Monitor to perform his or her duties pursuant to the Orders;

3. Pay the Monitor's fees and expenses as set forth in an agreement approved by the Commission, or if such agreement has not been approved, pay the Monitor's customary fees, as well as expenses the Monitor incurs performing his or her duties under the Orders, including expenses of any consultants, accountants, attorneys, and other representatives and assistants that are reasonably necessary to assist the Monitor in carrying out his or her duties and responsibilities;

4. Not require the Monitor to disclose to Respondents the substance of the Monitor's communications with the Commission or any other Person or the substance of written reports submitted to the Commission pursuant to the Orders; and

5. Indemnify and hold the Monitor harmless against any loss, claim, damage, liability, and expense (including attorneys' fees and out of pocket costs) that arises out of, or is connected with, a claim concerning the performance of the Monitor's duties under the Orders, unless the loss, claim, damage, liability, or expense results from gross negligence or willful misconduct by the Monitor.

E. Respondents may require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to enter into a customary confidentiality agreement, so long as the agreement does not restrict the Monitor's ability to access personnel, information, and facilities or provide information to the Commission, or otherwise observe and report on the Respondents' compliance with the Orders.

F. If the Monitor resigns or the Commission determines that the Monitor has ceased to act, has failed to act diligently, or is otherwise unable to continue serving as a Monitor due to the existence of a conflict or other reasons, the Commission may appoint a substitute Monitor. The substitute Monitor shall be afforded all rights, powers, and authorities and shall be subject to all obligations of the Monitor Sections of the Orders. The Commission shall select the substitute Monitor, subject to the consent of the Respondents. Respondents:

1. Shall not unreasonably withhold consent to the appointment of the selected substitute Monitor;

2. Shall be deemed to have consented to the selection of the proposed substitute Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed substitute Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed substitute Monitor; and

3. May enter into an agreement with the substitute Monitor relating to the substitute Monitor's services that either (a) contains substantially the same terms as the Commission-approved agreement referenced in Paragraph VIII.B; or (b) receives Commission approval.

G. The Commission may on its own initiative or at the request of the Monitor issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of the Orders.

IX. Divestiture Trustee

IT IS FURTHER ORDERED that:

A. If Respondents have not fully complied with the obligations to assign, grant, license, divest, transfer, deliver, or otherwise convey the Divestiture Clinics as required by this Order, the Commission may appoint a trustee ("Divestiture Trustee") to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets in a manner that satisfies the requirements of this Order.

B. In the event that the Commission or the Attorney General brings an action pursuant to § 5(*l*) of the Federal Trade Commission Act, 15 U.S.C. § 45(l), or any other statute enforced by the Commission, Respondents shall consent to the appointment of a Divestiture Trustee in such action to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under Section IX shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(*l*) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order.

C. The Commission shall select the Divestiture Trustee, subject to the consent of Respondents, which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a person with experience and expertise in acquisitions and divestitures. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within 10 days after notice by the staff of the Commission to Respondents of the identity of any proposed Divestiture Trustee, Respondents shall be deemed to have consented to the selection of the proposed Divestiture Trustee.

D. Not later than 10 days after the appointment of a Divestiture Trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the relevant divestiture or other action required by the Order.

E. If a Divestiture Trustee is appointed by the Commission or a court pursuant to Section IX, Respondents shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:

1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver, or otherwise convey the assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered, or otherwise conveyed;

2. The Divestiture Trustee shall have one year from the date the Commission approves the trustee trust agreement described herein to accomplish the divestitures, which shall be subject to the prior approval of the Commission. If, however, at the end of the one year period, the Divestiture Trustee has submitted a plan of divestiture or the Commission believes that the divestitures can be achieved within a reasonable time, the divestiture period may be extended by the Commission,

   Provided, however, the Commission may extend the divestiture period only 2 times;

3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered, or otherwise conveyed by this Order and to any other relevant information, as the Divestiture Trustee may request. Respondents shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Respondents shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestitures. Any delays in divestitures caused by Respondents shall extend the time for divestitures under Section IX in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court;

4. The Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favorable price and terms available in each Contract that is submitted to the Commission, subject to Respondents' absolute and unconditional obligation to divest expeditiously and at no minimum price. The divestitures shall be made in the manner and to an Acquirer that receives the prior approval of the Commission as required by this Order,

Provided, however, if the Divestiture Trustee receives bona fide offers from more than one acquiring person for a divestiture, and if the Commission determines to approve more than one such acquiring person for the divestiture, the Divestiture Trustee shall divest to the acquiring person selected by Respondents from among those approved by the Commission,

Provided further, however, that Respondents shall select such person within 5 days of receiving notification of the Commission's approval;

5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Respondents, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Respondents, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission of the account of the Divestiture Trustee, including fees for the Divestiture Trustee's services, all remaining monies shall be paid at the direction of the Respondents, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant assets that are required to be divested by this Order;

6. Respondents shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence or willful misconduct by the Divestiture Trustee;

7. The Divestiture Trustee shall have no obligation or authority to operate or maintain the Divestiture Clinics required to be divested by this Order;

8. The Divestiture Trustee shall report in writing to Respondents and to the Commission every 30 days concerning the Divestiture Trustee's efforts to accomplish the divestiture; and

9. Respondents may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement,

Provided, however, that such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.

F. The Commission may, among other things, require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a confidentiality agreement related to Commission materials and information received in connection with the performance of the Divestiture Trustee's duties.

G. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in Section IX, and who will have the same authority and responsibilities of the original Divestiture Trustee pursuant to Section IX.

H. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestitures and other obligations or action required by this Order.

X. Respondents Prior Approval

IT IS FURTHER ORDERED that Respondents shall not, directly or indirectly, through subsidiaries, partnerships, or otherwise, without the prior approval of the Commission, acquire any ownership or leasehold interest in any veterinary practice, clinic, or facility within the states of California, Colorado, District of Columbia, Maryland, or Virginia if the acquired practice, clinic, or facility does, or within the 6 months prior to the date of such acquisition, did or had plans to:

A. Offer 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation, has one or more employed veterinarians in attendance at all hours of operation, and that is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinics in California, Colorado, District of Columbia, Maryland, or Virginia offering the same service; or

B. Employ one or more veterinarians who legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more veterinary specialty or specialties, and that is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinic in California, Colorado, District of Columbia, Maryland, or Virginia that employs one or more veterinarians who legally hold themselves out as specialists in veterinary medicine, and have board certification in the same specialty or specialties.

Provided, *however*, that Respondents are not required to obtain the prior approval of the Commission for the Respondents' construction or opening of new facilities.

Provided further, however, that if Respondents propose to acquire any ownership interest in any veterinary practice, described in X.A. and X.B, above, that owns any interest in or

operates within the states of California, Colorado, District of Columbia, Maryland, or Virginia and other states, including if such an acquisition requires a Hart-Scott-Rodino premerger notification, this Section X applies only to the veterinary practices within the states of California, Colorado, District of Columbia, Maryland, or Virginia.

XI. Respondents Prior Notice

IT IS FURTHER ORDERED that:

A. Respondents shall not, directly or indirectly, through subsidiaries, partnerships or otherwise, without providing advance written notification to the Commission, acquire any ownership or leasehold interest in any veterinary practice, clinic, or facility within the United States and its territories if the acquired practice, clinic, or facility does, or within the 6 months prior to the date of such acquisition, did or had plans to:

1. Offer 24-hour or overnight service with the primary function of receiving, treating, and monitoring emergency patients during its specified hours of operation, has one or more veterinarians in attendance at all hours of operation, and is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinic offering the same services; or

2. Offer services on-site or adjacent to the site, on a regularly scheduled basis (i.e., daily or weekly), whether permanent or on a non-permanent basis, provided by one or more veterinarians who legally hold themselves out as specialists in veterinary medicine, and have board certifications in one or more specialty or specialties, and is located within 25 miles of any then-existing NVA Specialty or Emergency Veterinary Clinic offering services, on-site or adjacent to the site, whether permanent or on a non-permanent basis provided by one or more veterinarians with the same board certification;

Provided, *however,* that advance written notification shall not apply to Respondents' construction or opening of new facilities.

B. Notification under this Section XI shall be given on the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations as amended, and shall be prepared and transmitted in accordance with the requirements of that part, except that no filing fee will be required for any such notification, notification shall be filed with the Secretary of the Commission, notification need not be made to the United States Department of Justice, and notification is required only of Respondents and not of any other party to the transaction. Respondents shall provide the notification to the Commission at least thirty (30) days prior to consummating any such transaction (hereinafter referred to as the "first waiting period"). If, within the first waiting period, representatives of the Commission make a written request for additional information or documentary material (within the meaning of 16 C.F.R. § 803.20), Respondents shall not consummate the transaction until thirty (30) days after substantially complying with such request. Early termination of the waiting periods in this Section XI may be requested

and, where appropriate, granted by letter from the Bureau of Competition. Provided, however, that prior notification shall not be required by this Section XI for a transaction for which notification is required to be made, and has been made, pursuant to Section 7A of the Clayton Act, 15 U.S.C. § 18a.

XII. Acquirer Prior Approval

IT IS FURTHER ORDERED that, for a period of 10 years after the relevant Divestiture Date, neither Percheron, Nordic Capital, UVC, Veritas, nor any other Acquirer shall sell or otherwise convey to any Person, through subsidiaries or otherwise, without the prior approval of the Commission, any of the Divestiture Clinics that were divested pursuant to Section II;

Provided, however, Percheron and Veritas are not required to obtain prior approval of the Commission under this Section XII for a change of control, merger, reorganization, or sale of all or substantially all of Veritas's business.

Provided further, however, Nordic Capital and UVC are not required to obtain prior approval of the Commission under this Section XII for a change of control, merger, reorganization, or sale of all or substantially all of UVC's business.

XIII. Compliance Reports

IT IS FURTHER ORDERED that:

A. Respondents shall:

1. Notify Commission staff via email at bccompliance@ftc.gov of the Acquisition Date and each Divestiture Date no later than 5 days after the occurrence of each; and

2. Submit the complete Divestiture Agreements to the Commission at ElectronicFilings@ftc.gov and bccompliance@ftc.gov no later than 30 days after the relevant Divestiture Date.

B. Respondents shall submit verified written reports ("compliance reports") in accordance with the following:

1. Respondents shall submit:

a. Interim compliance report 30 days after the Order is issued, and every 60 days thereafter until Respondents have fully complied with the provisions of Sections II and IV;

b. Annual compliance reports one year after the date this Order is issued, and annually for the next 9 years on the anniversary of that date; and

c. Additional compliance reports as the Commission or its staff may request.

2. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with this Order. Conclusory statements that Respondents have complied with their obligations under this Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, a full description of the measures Respondents have implemented and plan to implement to comply with each paragraph of the Orders.

3. For a period of 5 years after filing a Compliance Report, each Respondent shall retain all material written communications with each party identified in the compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondents' obligations under the Orders and provide copies of these documents to Commission staff upon request.

C. Respondents shall verify each compliance report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondents shall file their compliance reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov, as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a). In addition, Respondents shall provide a copy of each compliance report to the Monitor if the Commission has appointed one in this matter.

XIV. Change in Respondents

IT IS FURTHER ORDERED that Respondents JAB and NVA shall notify the Commission at least 30 days prior to:

A. The proposed dissolution of JAB Consumer Partners SCA SICAR or National Veterinary Associates, Inc., respectively;

B. The proposed acquisition, merger, or consolidation of JAB Consumer Partners SCA SICAR or National Veterinary Associates, Inc., respectively; or

C. Any other change in Respondents JAB and NVA, including assignment and the creation, sale, or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order.

XV. Access

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to Respondents, Respondents shall, without restraint or interference, permit any duly authorized representative of the Commission:

A. Access, during business office hours of the Respondents and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and all other records and documents in the possession, or under the control, of the Respondents related to compliance with this Order, which copying services shall be provided by the Respondents at their expense; and

B. To interview officers, directors, or employees of the Respondents, who may have counsel present, regarding such matters.

XVI. Purpose

IT IS FURTHER ORDERED that the purpose of this Order is to remedy the harm to competition the Commission alleged in its Complaint and ensure each Acquirer can operate the relevant Divestiture Clinics at least equivalent in all material respects to the manner in which Respondent Ethos operated the Divestiture Clinics prior to the Acquisition.

XVII. Term

IT IS FURTHER ORDERED that this Order shall terminate on the tenth day of October, 2032.

By the Commission.

April J. Tabor
Secretary

SEAL:

ISSUED: October 10, 2022

Nonpublic Appendix A

Divestiture Agreements

[Redacted From the Public Record Version, But Incorporated By Reference]

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Rebecca Kelly Slaughter
Christine S. Wilson
Alvaro M. Bedoya

In the Matter of **Microsoft Corp.**, a corporation, and **Activision Blizzard, Inc.**, a corporation.	**Docket No. 9412** **REDACTED PUBLIC VERSION**

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act ("FTC Act"), and by virtue of the authority vested in it by the FTC Act, the Federal Trade Commission ("Commission"), having reason to believe that Respondents Microsoft Corp. ("Microsoft"), and Activision Blizzard, Inc. ("Activision") have executed a merger agreement in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, which if consummated would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint pursuant to Section 5(b) of the FTC Act, 15 U.S.C. § 45(b), and Section 11(b) of the Clayton Act, 15 U.S.C. § 21(b), stating its charges as follows:

NATURE OF THE CASE

1. Microsoft and Sony control the market for high-performance video game consoles. The number of independent companies capable of developing standout video games for those consoles has contracted, with only a small group of firms commanding that space today. Microsoft now proposes to acquire Activision, one of the most valuable of those developers, in a vertical merger valued at nearly $70 billion (the "Proposed Acquisition") that will increase Microsoft's already considerable power in video games. If consummated, the Proposed Acquisition would be the largest in the history of the video game industry and the largest in Microsoft's history. The Proposed Acquisition would continue Microsoft's pattern of taking control of valuable gaming content. With control of Activision's content, Microsoft would have the ability and increased incentive to withhold or degrade Activision's content in ways that substantially lessen competition—including competition on product quality, price, and innovation. This loss of competition would likely result in significant harm to consumers in multiple markets at a pivotal time for the industry.

2. Microsoft, one of only two manufacturers of high-performance video game consoles, develops and sells Xbox gaming consoles. Microsoft is vertically integrated: through its in-house game studios, it develops and publishes popular video game titles such as *Halo*. Such in-house games are known as "first-party" titles in the industry. Microsoft also offers a leading video game subscription service, Xbox Game Pass, for which customers pay a monthly fee to access a library of hundreds of first- and third-party video games for console or personal computer ("PC"). The top tier of Xbox Game Pass, called Xbox Game Pass Ultimate, includes "cloud gaming" functionality that enables subscribers to stream certain games, as opposed to downloading games locally, and then to play those games across a variety of devices including consoles, PCs, tablets, and mobile phones.

3. Activision develops and publishes high-quality video games for multiple devices, including video game consoles, PCs, and mobile devices. Activision's games include high-quality games that are commonly referred to in the industry as "AAA" titles. AAA games are costly to produce because of the creative talent, budgets, and time required for development. Gamers highly anticipate the release of AAA games.

4. Activision produces some of the most iconic video game titles, including several leading AAA franchises. For example, Activision develops the popular franchises *Diablo* and *Overwatch* and the marquee franchise *Call of Duty.*

5. The *Diablo* and *Overwatch* AAA franchises are among several Activision franchises that have individually earned more than [redacted] in lifetime revenues. *Overwatch* just released a successful new title, *Overwatch 2,* available for play on multiple gaming consoles and PCs. *Diablo,* a long-running franchise first introduced in the 1990s, has a highly anticipated new title, *Diablo IV*, slated for release in early 2023.

6. Activision and industry participants recognize *Call of Duty* as Activision's "key product franchise." *Call of Duty* was originally launched in 2003, and Activision releases new titles for the franchise on an annual basis. Activision allocates substantial resources to the franchise. As many as [redacted] primary development studios are devoted to it at any one time and its budget is significantly larger than other AAA titles.

7. By any measure, *Call of Duty* is a leading AAA franchise. It is one of the most successful console-game franchises ever. From its launch in 2003 up through 2020, it generated $27 billion in revenues. *Call of Duty* also has a massive following, with [redacted] million monthly active users ("MAU") in 2020, according to an Activision strategy document. Its loyal fanbase and enduring appeal have made it particularly valuable, influencing gamer engagement and gaming product adoption. The franchise has achieved sustained dominance over the past decade, with *Call of Duty* titles comprising 10 of the top 15 console games sold between 2010–2019. No other franchise had more than one title in the top 15. *Call of Duty* has continued to top the charts in 2020 and 2021, and its latest installment, *Modern Warfare II*, amassed more than $1 billion in sales within just ten days of its release and is on track to outsell all other games this year despite not having been released until late October 2022. The previous franchise record was held by *Call of Duty: Black Ops II*, which took 15 days to hit the $1 billion mark.

8. Activision's content is extremely important for, and drives adoption of, video game consoles. Given their immense popularity, Activision's titles are of particular importance to console makers, including Microsoft's competition.

9. Microsoft produces its own first-party video game titles. Microsoft has acquired over ten third-party studios and their titles in recent years to expand its offerings. Microsoft has frequently made those acquired titles exclusive to its own consoles and/or subscription services, eliminating the opportunity for consumers to play those titles on rival products or services. By taking games exclusive, Microsoft strengthens the position of its console and subscription service products relative to competitors.

10. The Proposed Acquisition is reasonably likely to substantially lessen competition or tend to create a monopoly in multiple markets because it will create a combined firm with the ability and increased incentive to use its control of Activision titles to disadvantage Microsoft's competitors. The Proposed Acquisition also may accelerate an ongoing trend towards vertical integration and consolidation in, and raise barriers to entering, the relevant markets.

11. Microsoft's ownership of Activision would provide Microsoft with the ability to withhold or degrade Activision content through various means, including manipulating Activision's pricing, degrading game quality or player experience on rival offerings, changing the terms and timing of access to Activision's content, or withholding content from competitors entirely.

12. Microsoft's past conduct provides a preview of the combined firm's likely plans if it consummates the Proposed Acquisition, despite any assurances the company may offer regarding its plans. In March 2021, Microsoft acquired ZeniMax Media Inc. ("ZeniMax"), the parent company of the well-known game developer and publisher Bethesda Softworks LLC ("Bethesda"). Microsoft assured the European Commission ("EC") during its antitrust review of the ZeniMax purchase that Microsoft would not have the incentive to withhold ZeniMax titles from rival consoles. But, shortly after the EC cleared the transaction, Microsoft made public its decision to make several of the newly acquired ZeniMax titles, including *Starfield*, *Redfall*, and *Elder Scrolls VI*, Microsoft exclusives.

13. Today, Activision touts that it is [redacted] and seeks to offer its games wherever gamers want to be playing them. It has an incentive to offer its titles broadly. Microsoft's ownership of Activision's content would alter that dynamic. As Microsoft seeks to increase its profits from the lucrative video game industry, the Proposed Acquisition will increase Microsoft's incentive to withhold Activision content from, or degrade Activision content on, consoles and subscription services that compete with Xbox consoles and Xbox Game Pass. Such conduct would be reasonably likely to substantially lessen competition and harm gamers in the United States.

14. These effects are likely to be felt throughout the video gaming industry. The Proposed Acquisition is reasonably likely to substantially lessen competition and/or tend to create a monopoly in both well-developed and new, burgeoning markets, including high-performance consoles, multi-game content library subscription services, and cloud gaming subscription services.

JURISDICTION

15. Respondents Microsoft and Activision are each "corporations" as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44, and in Section 1 of the Clayton Act, 15 U.S.C. § 12.

16. Respondents are engaged in activities in or affecting "commerce" as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44, and in Section 1 of the Clayton Act, 15 U.S.C. § 12.

17. The Proposed Acquisition constitutes a merger subject to Section 7 of the Clayton Act, 15 U.S.C. § 18.

RESPONDENTS AND THE PROPOSED ACQUISITION

18. Respondent Microsoft is a publicly traded technology company incorporated in the State of Washington with headquarters in Redmond, Washington. Microsoft sells software, services, and devices across the technology industry and is among the most valuable companies in the world. Microsoft's gaming division produces Xbox hardware and Xbox content and services. Its total gaming revenues in FY2022 were over $16 billion. Microsoft's total revenues in FY2022 were over $198 billion.

19. Respondent Activision is a publicly traded company, incorporated in the State of Delaware with headquarters in Santa Monica, California. Activision develops and publishes video games for consoles, PCs, and mobile devices. Activision's revenues in FY2021, its most recently reported fiscal year, were $8.8 billion.

20. Microsoft entered into an Agreement and Plan of Merger with Activision on January 18, 2022, for an all-cash purchase price of $95 per Activision share and a total estimated value of $68.7 billion.

BACKGROUND

21. Activision's gaming content is extremely important in a gaming industry where content availability shapes gamers' decisions about which video game consoles and services to purchase. If the Proposed Acquisition is allowed to proceed, Microsoft would gain control of Activision's content and have the ability and increased incentive to withhold or degrade Activision's content, which is reasonably likely to reduce competition and cause a number of harmful outcomes, including dampened innovation, diminished consumer choice, higher prices and/or lower quality products, and harm to the millions of Americans who benefit from competition in video game consoles and subscription services.

22. Today, gaming is the largest category in the entertainment industry, with revenues that far exceed those of both the film and music industries. This year, the gaming industry is expected to be worth more than $170 billion in global revenues, five times greater than global movie box office revenues.

23. Gaming's unrivaled popularity among consumers is expected to continue. Microsoft projects global gaming revenues to grow to [redacted] billion in annual sales by [redacted]. Microsoft also expects the number of gamers worldwide to increase significantly, expanding by another [redacted] billion players and reaching [redacted] of the global population over the next [redacted] years.

24. Video game content and services are generally available on a variety of devices, including video game consoles that are predominantly used for playing video games; PCs, including general purpose PCs as well as high-performance gaming PCs configured to play computationally demanding games; and mobile devices.

25. Consumers purchase consoles based on the technological capability of the console, the price, and the games available for that specific console, among other factors.

I. Consoles

26. For gamers who play games on gaming consoles today, the most popular options, Microsoft's Xbox, Sony's PlayStation, and Nintendo's Switch, come from the same trio of companies that have been manufacturing consoles for decades with no meaningful new competition.

27. Since the 1970s, competing video game console makers have periodically released consoles featuring the latest technological advances, with a new generation of consoles released approximately every five to ten years. Within the video game industry, competition for sales and technological supremacy is commonly referred to as "the console wars."

28. Of these three console makers, PlayStation and Xbox compete in a high-performance segment that includes only the most technologically advanced and capable consoles. In November 2020, both Microsoft and Sony launched their current generation of consoles, the Xbox Series X and Series S consoles (collectively, "Xbox Series X|S") and the PlayStation 5 and PlayStation 5 Digital Edition consoles (collectively, "PS5"), respectively. Xbox Series X|S and PS5 consoles are the only high-performance consoles available today, and are considered to be in the ninth generation of gaming consoles. In contrast, Nintendo's most recent console—the Nintendo Switch—is not a ninth-generation gaming console. The Nintendo Switch was released in 2017, in the latter half of the eighth generation of gaming consoles, which had begun in approximately 2013. The Nintendo Switch ("Switch") also has lower computational performance, more in line with Microsoft's and Sony's eighth generation consoles.

29. The Xbox Series X|S are two ninth-generation Xbox consoles offered by Microsoft. The Series X is a more powerful console while the Series S is more affordable. Together, these consoles provide Microsoft's [redacted]

30. Microsoft closely tracks the performance of its Xbox consoles relative to Sony's PlayStation consoles. For example, in FY2022, the first full year that Xbox Series X|S consoles were available, one of Microsoft's key metrics for evaluating success was [redacted] In internal communications, Microsoft executives regularly discuss [redacted].

31. Xbox Series X|S consoles have been a commercial success. In a July 26, 2022 earnings call, Microsoft CEO Satya Nadella announced that the company "ha[d] been the market leader in North America for three quarters in a row among next gen consoles."

32. The Xbox Series X|S and PS5 consoles are [redacted] from a broad consumer perspective, in a number of technical specifications, including offering similar graphics, user experiences, and hardware features. In addition, the Xbox Series X and PlayStation 5 are sold at the same price, while the Series S offers lower performance and is sold at a lower price.

33. Other consoles lack the high performance of the Xbox Series X|S and PS5 consoles. For example, the Nintendo Switch, which is designed to allow portable, handheld use, necessarily sacrifices computing power, which leaves it unable to play certain games that require more advanced graphic processing. Retailing at $299.99, the Nintendo Switch is also less expensive than the Xbox Series X and PlayStation 5 consoles, both priced at $499.99. While the Xbox Series S had the same retail price at launch as the Nintendo Switch, the graphical and processing capabilities of the Series S are much more aligned with the Xbox Series X and PS5 consoles. The Xbox Series S enables gamers to play the same video games as the Xbox Series X, both of which offer more graphically advanced gameplay than on the Nintendo Switch.

II. Gaming Content

A. Multi-Game Content Library Subscription Services

34. For the last several decades, gamers have purchased games through a "buy-to-play" model: either purchasing physical copies of games or, more prevalent today, purchasing digital copies of individual games that gamers download to their gaming console, PC, or other device.

35. Recent years, however, have seen the expansion of a subscription model. Multi-game content library subscription services allow gamers to access a library of games for a fixed monthly or yearly fee. Microsoft's multi-game content library subscription service, Xbox Game Pass, launched in 2017, rapidly grew to 10 million subscribers by 2020 and in 2022 announced it had grown to 25 million subscribers.

36. Xbox Game Pass provides subscribers with unlimited access to a library of over 300 first- and third-party games at no additional cost. The service is priced at $9.99 per month for gamers who seek to download games to play solely on an Xbox console or solely on a PC. The higher tiered service, Xbox Game Pass Ultimate, priced at $14.99 per month, allows gamers to download games for play on either an Xbox console or a PC, and additionally enables gamers to stream games from an off-site server to any web-enabled local device that can access Game Pass (*e.g.*, an Xbox console, PC, mobile device, or smart TV).

37. Sony also offers a multi-game content library subscription service, PlayStation Plus, which at certain tiers is comparable to Xbox Game Pass. The lower comparable tier, PlayStation Plus Extra, priced at $14.99 per month, provides access to a library of hundreds of games that can be played on PlayStation consoles as well as online multiplayer access, discounts on other games, and cloud storage. The higher comparable tier, PlayStation Plus Premium, priced at $17.99 per month, provides access to an even larger library of games that can be played on PlayStation, along with cloud streaming.

38. In addition to Sony's PlayStation Plus Extra and Premium, other multi-game content library subscription services include EA Play and Ubisoft+. EA Play, starting at $4.99 per month, and Ubisoft+, starting at $14.99 per month, each offer access only to content from the respective publishers, Electronic Arts Inc. ("EA") and Ubisoft Entertainment SA ("Ubisoft").

B. Cloud Gaming Subscription Services

39. Today, video game software typically runs locally on the player's gaming device. Recently, however, cloud gaming subscription services have been introduced that allow players to stream games that run on remote hardware without downloading the game locally. The primary processing for the game occurs in off-site datacenters and a live feed of the game is streamed to the player's device.

40. Microsoft touts numerous benefits of cloud gaming to customers. Cloud gaming enables gamers to begin playing a game in seconds, rather than waiting for games to download or update, and streaming rather than downloading avoids burdening the storage limits on a gaming device. Cloud gaming also broadens access to gaming by expanding the universe of devices that can play games. Today, cloud gaming subscription services are available on consoles, Windows PC, Mac PC, Chromebook PC, tablet, mobile phones, and some smart TVs, with device compatibility varying by service. This permits gamers to play computationally demanding games on less powerful devices that otherwise lack the computing power or storage to support the games.

41. In September 2020, Microsoft added cloud gaming to its top-tier multi-game content library subscription service offering, Xbox Game Pass Ultimate. To date, more than 20 million gamers have used the service to stream games from the cloud. Microsoft has stated that cloud gaming subscription services are integral to its goal of expanding gaming to 3 billion gamers worldwide and enabling gamers "to play the games you want, with the people you want, anywhere you want."

42. Other cloud gaming subscription services include Amazon Luna, Nvidia GeForce NOW, and Google Stadia, although Alphabet Inc. has announced that it is discontinuing Stadia in January 2023. Amazon's Luna+ (a tier of Amazon Luna), priced at $9.99 per month with additional options available for further purchases, provides streaming access to a library of over 100 third-party games. Nvidia GeForce NOW, priced at $49.99 for six months for the Priority tier or $99.99 for six months for the RTX 3080 tier, allows gamers to stream game titles that they already own, with the streaming hosted on Nvidia Corporation ("Nvidia") datacenters. Although it will soon be discontinued, Stadia Pro, priced at $9.99 per month with additional options for further purchases, allows gamers to stream games from a library of hundreds of third-party games.

C. Importance of AAA Games

43. AAA games are particularly important within the gaming industry. The term "AAA" is frequently used by industry participants to refer to highly anticipated games bearing similar characteristics: high development costs, superior graphical quality, and expectations of high unit sales and revenue, typically from a studio with large development and publishing teams, supported by extensive marketing and promotion. AAA content can act as [redacted] content, where, as a consultant to Microsoft explained, it [redacted]

44. In the words of one Microsoft executive, AAA games are [redacted] They are also not numerous. Phil Spencer, CEO of Microsoft Gaming, estimates there are [redacted]

45. Production budgets for AAA games frequently exceed [redacted] million, if not [redacted] million, and development teams can include thousands of developers working over several years. The high cost of AAA game development is driven by many factors such as long development cycles and the scarcity of AAA-capable studios and talent.

46. The gaming industry recognizes a limited top tier of independent game publishers, sometimes referred to as the "Big 4" or simply the AAA publishers: Activision, Electronic Arts, Take-Two, and Ubisoft. These publishers reliably produce AAA games for high-performance consoles and collectively own a significant portion of the most valuable IP in the gaming industry. These high-profile franchises include, for example, *Call of Duty* (Activision), *FIFA* (EA), *Grand Theft Auto* (Take-Two), and *Assassin's Creed* (Ubisoft).

47. Only a few other studios are typically credited with releasing AAA games. Epic Games, maker of *Fortnite*, a free-to-play game that is currently one of the most popular games in the United States, is sometimes viewed within the industry as a AAA-level publisher, such that industry participants will sometimes refer to the "Big 4 + Epic."

48. Internally, Microsoft recognizes that [redacted] Despite significant growth in the gaming industry, the head of Xbox Game Studios has noted [redacted] Creating a studio with the capability to produce AAA games requires scarce talent and is a capital-intensive endeavor.

49. Microsoft and Sony also produce AAA games. The *Elder Scrolls*, *Halo*, and *Forza* franchises are AAA games from Microsoft, while the *God of War*, *MLB The Show*, and *Spider-Man* franchises are AAA games from Sony.

50. Microsoft's own experience with releasing AAA games reflects the cost and time to develop such content. *Halo Infinite*, a recent title from the Microsoft's first-party *Halo* franchise, was in production for [redacted] years, and cost almost $[redacted] million. Other AAA games may take even longer to develop. For instance, according to one Microsoft executive, [redacted] a forthcoming title from the [redacted] franchise, may take a [redacted] to develop.

51. Access to AAA content is crucial for Microsoft, and the company strives to ensure that new AAA content is available on its console and subscription services on a regular basis. In May 2022, Mr. Spencer of Microsoft [redacted]

52. AAA content has particularly important downstream effects because it generates player interest, develops a base of users, and drives monetization opportunities. As Microsoft's CEO has explained, [redacted] As an internal Microsoft document explained, [redacted] An internal strategy document on scaling Xbox Game Pass [redacted]

53. To differentiate their products from rivals, console manufacturers and subscription service providers may seek to make certain titles exclusive to their products and unavailable on rivals' products, including by obtaining exclusive licenses from third-party game publishers. An internal Microsoft analysis estimates [redacted] Typically, exclusivity in this context does not prevent a game from being available for PC or other non-console devices.

54. A diverse array of AAA content that increases adoption and engagement gives a console or subscription service greater leverage in attracting additional content. The console or subscription service can tout the size of its player base in negotiations with publishers and developers seeking to increase the discoverability and engagement of their content. As an internal Microsoft strategy document notes, [redacted] The result of these dynamics is to generate competition among console manufacturers and subscription service providers for AAA content.

55. Microsoft Xbox's Chief Marketing Officer has emphasized the importance of such content, noting: [redacted]

56. Microsoft expects that Activision's AAA content [redacted]. As Mr. Spencer explained to Microsoft investors, "[a]s our platform becomes more attractive, the flywheel of content creators and players accelerates. As the creative range on our platform continues to expand, more players are attracted to the service, and the growing scale of the customer base makes the platform more attractive for additional publishers, and so on."

57. Activision content is especially valuable to any gaming console or subscription service due to the ability of Activision games to drive sales and engagement. Activision's CEO Bobby Kotick testified that Activision's games are "[redacted]" and "[redacted]" Microsoft, in presentations to its Board of Directors regarding this Proposed Acquisition, called Activision's content [redacted]

58. Activision currently has a combined [redacted] million MAU globally across its console and PC games and the company expects this number to grow to over [redacted] million MAU by 2024. Activision's statements reflect its ability to influence video game product purchase decisions.

[redacted]

59. Even among AAA games, Activision's most well-known franchise, *Call of Duty*, is particularly strong. First released nearly twenty years ago in 2003, *Call of Duty* is, in Activision's own words, "***one of the most successful entertainment franchises of all time***." In 2021, *Call of Duty*: *Vanguard* topped the revenue charts as the best-selling game in the United States, with *Call of Duty: Black Ops Cold War* coming in second. And in 2022, *Call of Duty: Modern Warfare II* took in $1 billion globally *in the first ten days following its launch*. By comparison, the highest grossing film of the year so far, *Top Gun: Maverick*, took one month to reach the $1 billion threshold.

RELEVANT MARKETS

60. The Proposed Acquisition will result in a combined firm with the ability and increased incentive to withhold or degrade Activision's valuable gaming content to undermine its competitors in multiple Relevant Markets. This anticompetitive behavior is reasonably likely to lead to reduced consumer choice, higher prices and/or lower quality products, and less innovation, and the Proposed Acquisition will not produce cognizable procompetitive effects sufficient to offset such harms.

61. The Proposed Acquisition is likely to harm innovation, for instance, by decreasing the combined firm's incentive to optimize Activision's content for gameplay on rival hardware, thereby reducing the quality of consumer gaming experiences on competing products.

62. The Proposed Acquisition is reasonably likely to substantially lessen competition or tend to create a monopoly in the Relevant Markets for High-Performance Consoles, Multi-Game Content Library Subscription Services, and Cloud Gaming Subscription Services. The Proposed Acquisition is therefore reasonably likely to result in harm to both competition and consumers.

I. High-Performance Consoles are a Relevant Product Market

63. High-Performance Consoles are a Relevant Market for evaluating the likely competitive effects of the Proposed Acquisition.

64. The only High-Performance Consoles offered for sale today are the most recent generation of Microsoft Xbox and Sony PlayStation consoles—the Xbox Series X|S and the PS5. The Xbox Series X|S and PS5 are therefore included within the Relevant Market.

65. The third major gaming console available today, the Nintendo Switch, is highly differentiated from the Xbox and PlayStation consoles in significant ways. The Nintendo Switch, therefore, is not included in the Relevant Market.

66. Microsoft's Xbox Series X|S and Sony's PS5 consoles are characterized by greater computational power, different content portfolios, different form factors and technical specifications, generally higher prices, and different release cadences than the Nintendo Switch and other handheld consoles.

a. Superior computational power enables faster processing that shapes the kind of content that can run on High-Performance Consoles, enabling higher resolution, more realistic graphics, and cutting-edge performance. Both Xbox Series X|S and PS5 consoles have similar hardware, and Microsoft and Sony compete closely on hardware innovation, including over graphics and performance. Conversely, Nintendo pursues a different strategy of integrating its lower performance, portable hardware with its own distinctive first-party games to appeal to player nostalgia for Nintendo's unique gaming experience over high resolution, life-like graphics, and performance speed. While Microsoft's Xbox Series X|S and Sony's PS5 consoles incorporate semi-custom systems-on-a-chip ("SoC") designed by AMD, Nintendo's Switch runs on a non-AMD SoC that is more closely related to a mobile device processor found in higher-end mobile phones and tablets.

b. Microsoft and Sony compete closely for high-quality, resource-intensive AAA console games. They compete over genre coverage, portfolio size and quality, and multiplayer game availability, and they routinely benchmark their [redacted] against each other. A substantial share of High-Performance Console content is available on both Xbox and PlayStation consoles. By contrast, although Nintendo offers third-party content on the Switch, Nintendo's main strategy centers on [redacted]

c. Xbox Series X|S and PS5 consoles provide a technologically advanced gaming experience from a stationary endpoint. The Xbox Series X|S and PS5 consoles are plug-in devices that draw electrical power to support advanced computations and are connected to an external display like a television. In contrast, the Nintendo Switch is a portable battery-operated device with a built-in display screen, and it can optionally be connected to an external display. Nintendo's Switch also has detachable controllers that can be used for motion-based game play that is not available on the Xbox or PlayStation consoles. Microsoft and Sony commonly benchmark against each other on [redacted]

d. The PlayStation 5 and the Xbox Series X, the companies' latest flagship consoles, retail for $499.99. By contrast, the Nintendo Switch retails for $200 less at $299.99.

e. Since the 2000s, Microsoft and Sony have released new console generations largely contemporaneously—most recently in 2020. The prior generation (Generation 8) Xbox One and PlayStation 4 were released in 2013, and the current generation (Generation 9) Xbox Series X|S and PS5 consoles were released in November 2020. By contrast, the Nintendo Switch launched in March 2017, nearly five years after the beginning of the eighth generation.

67. Microsoft's own ordinary course documents regularly [redacted] Respondents conceded in a regulatory filing that [redacted].

68. Due to their distinct offerings, Microsoft and Sony consoles appeal to different gaming audiences than the Nintendo Switch. While Xbox Series X|S and PS5 consoles offer more mature content for more serious gaming, Nintendo's hardware and content tends to be used more for casual and family gaming.

69. Indeed, "dual console owners" are more likely to own one High-Performance Console and a Nintendo Switch than two High-Performance Consoles. NPD Group, a trusted source for video game industry data, shows that as of 2020, nearly 40 percent of PlayStation and Xbox owners also owned a Switch, while only [redacted] percent of PlayStation console owners owned an Xbox and only [redacted] percent of Xbox console owners own a PlayStation.

70. Other video gaming devices available today are not commercially reasonable alternatives to High-Performance Consoles and are therefore not included in the Relevant Market. These include gaming PCs, and mobile devices.

71. Gaming PCs are distinct from High-Performance Consoles due to differences in price, hardware, performance, and functionality (*i.e.*, where and when a game can be played), among other factors. Gaming PCs are therefore not included in the Relevant Market. Mobile devices are distinct from High-Performance Consoles due to differences in complexity and quality of game performance, content offerings, monetization approach, gameplay and interface, and audience, among other factors. Microsoft recently confirmed this factual distinction in testimony during the trial of *Epic Games, Inc. v. Apple Inc.,* 559 F.Supp.3d 898, 981 (N.D. Cal. 2021). Mobile gaming devices are therefore not included in the Relevant Market.

72. High-Performance Consoles are a relevant antitrust market. However, although the Nintendo Switch is highly differentiated from the Xbox Series X|S and PS5 consoles, it shares many of the same characteristics that make High-Performance Consoles distinct from PCs, and mobile devices. Accordingly, the anticompetitive effects of the Proposed Acquisition alleged in this Complaint are also reasonably likely to occur in a broader market for gaming consoles that includes High-Performance Consoles and the highly differentiated Nintendo Switch.

II. Multi-Game Content Library Subscription Services are a Relevant Product Market

73. Multi-Game Content Library Subscription Services are a relevant product market for evaluating the competitive effects of the Proposed Acquisition.

74. The Relevant Market for Multi-Game Content Library Subscription Services includes services that offer unlimited access to a library of video games that are predominantly played on non-mobile devices and are available to play at zero additional cost beyond the subscription fee, either via download or cloud streaming.

75. Microsoft is already a significant player in this market through its Xbox Game Pass offerings and continues to expand rapidly in this market. Microsoft offers three tiers of Game Pass, each of which provide unlimited access to hundreds of games, with Game Pass Ultimate also providing access to Xbox Cloud Gaming. Microsoft is already the market leader with an announced 25 million Game Pass subscribers.

76. Each service competes aggressively to offer the best, most exciting titles to attract users to its service, with each attempting to provide access to a compelling library of high-end, AAA games. Services offer a range of incentives to developers and publishers including attractive revenue splits or co-marketing arrangements in order to ensure games are available on their services.

77. Multi-Game Content Library Subscription Services rely on distinct pricing compared to the traditional "buy to play" model, where gamers purchase individual games for up to $70 per title, or more. Multi-Game Content Library Subscription Services seek to offer a new method of accessing games by offering access to an entire library of games for a periodic fee, rather than a single title for a fixed cost.

78. Subscription services in the Relevant Market [redacted] Microsoft's ordinary course documents show that [redacted] For example, Xbox CFO Tim Stuart sent an email [redacted] Mr. Stuart went on to report: [redacted]

79. Buy-to-play games are not commercially reasonable alternatives and therefore are not included in the Relevant Market. Multi-Game Content Library Subscription Services provide immediate access to hundreds of game titles for a monthly fee, facilitating content discovery. The pricing of individual games does not dictate Microsoft's pricing decisions for its Xbox Game Pass subscriptions. Additionally, when speaking with third-party game developers, Microsoft's executives tout Game Pass as [redacted] Microsoft further showcases the additive nature of Game Pass through public statements that report Game Pass subscribers invest more time and money in gaming than their fellow gamers without a subscription.

80. Subscription services that focus on enabling online multiplayer gaming, such as Xbox Live Gold and PlayStation Plus Essential, are not commercially reasonable alternatives and therefore are not included in the Relevant Market. Xbox Live Gold and PlayStation Plus Essential, as currently structured, award a limited number of free games as "bonus content." These services do not provide access to the same breadth and diversity of content as Multi-Game Content Library Subscription Services and do not facilitate the same level of game discoverability.

81. Subscription services that do not offer a library of video games that are predominantly played on non-mobile devices are also not commercially reasonable alternatives and therefore are not included in the Relevant Market. Mobile-native games are distinct from games accessed natively on a console and from the most performant games accessed natively on a PC, due to differences in complexity and quality of game performance, monetization approach, gameplay and interface, and audience, among other factors.

82. Multi-Game Content Library Subscription Services comprise a Relevant Market. The anticompetitive effects of the Proposed Acquisition also are reasonably likely to occur in any relevant antitrust market that contains Multi-Game Content Library Subscription Services, including a combined Multi-Game Content Library and Cloud Gaming Subscription Services market.

III. Cloud Gaming Subscription Services are a Relevant Market

83. Cloud Gaming Subscription Services are a relevant product market for evaluating the competitive effects of the Proposed Acquisition.

84. The Relevant Market for Cloud Gaming Subscription Services includes services that offer the ability to play predominantly non-mobile video games via cloud streaming.

85. The Relevant Market includes Multi-Game Content Library Subscription Services that offer access to games via cloud streaming as well as any services that offer streaming via a "Bring Your Own Game" ("BYOG") approach where users play games they own in their own personal library by streaming those games through their Cloud Gaming Subscription Service. In all cases, users pay a periodic fee, either monthly or yearly, to access the Cloud Gaming Subscription Service.

86. Cloud Gaming Subscription Services provide a way to play games that is distinct from running them locally on the player's gaming device. Such subscription services make predominantly non-mobile video games available instantly on a wide variety of devices, reducing the need for gamers to make large investments in expensive hardware, such as a High-Performance Console or a gaming PC, and eliminating download time.

87. Cloud Gaming Subscription Services are designed to reach a different set of consumers than other forms of game distribution. These subscription services enable gaming on devices that do not meet the minimum specifications for large and technologically complex games, such as older and less expensive PCs, MacBooks, Chromebooks, tablets, mobile devices, and smart TVs. They also enable gamers to play games that were developed for other devices and/or operating systems. Microsoft has estimated that the total addressable market for cloud gaming is approximately 3 billion users, compared to [redacted] console users.

88. Microsoft's executives recognize the expanded opportunity Cloud Gaming Subscription Services offer. For example, Microsoft executives have explained that xCloud (now referred to as Xbox Cloud Gaming) offers [redacted] and that [redacted]

89. Microsoft's documents show that [redacted]. In a recap of insights and learnings from FY2022, the Xbox Cloud Gaming team reported that "[redacted]

90. Cloud Gaming Subscription Services also require specialized inputs. Cloud Gaming Subscription Services operate on cloud infrastructure, either by deploying their own dedicated infrastructure or by contracting with a third party. For example, Microsoft built Xbox Cloud Gaming by deploying racks of dedicated Xbox console hardware in Microsoft data centers, investing [redacted]. Microsoft has plans to support [redacted] on its [redacted] in the future and expects to spend over [redacted] on Xbox Cloud Gaming infrastructure in the next several years.

91. Cloud Gaming Subscription Services are a Relevant Market. The anticompetitive effects of the Proposed Acquisition alleged in this complaint are also likely to occur in any relevant antitrust market that contains Cloud Gaming Subscription Services, including a combined Multi-Game Content Library and Cloud Gaming Subscription Services market.

IV. The Relevant Geographic Market is the United States

92. The relevant geographic market in which to assess the Proposed Acquisition's effects is the United States.

93. In each of the Relevant Markets, consumer preferences and gaming behavior differ across countries. Internal research from both Microsoft and Activision also finds significant variation among countries on metrics like [redacted] For its most recent Generation 9 consoles, Microsoft differentiated its [redacted] Given its large installed base of Generation 8 consoles, Microsoft placed the United States into a [redacted] along with only [redacted] other countries. Microsoft has identified the United States as a [redacted], [redacted].

94. Microsoft is a leader in the United States in the Multi-Game Content Library Subscription Services market. As of the [redacted] Microsoft offers Game Pass at different price points outside the United States.

95. Microsoft and other Cloud Gaming Subscription Service providers have similarly focused on the United States [redacted]. Microsoft launched Game Pass Ultimate first in the United States and Canada, with Nvidia's GeForce NOW and Amazon Luna undertaking a similar strategy. Cloud Gaming Subscription Service providers also note that the proximity of cloud servers to gamers is important in light of the technological demands of cloud gaming.

ANTICOMPETITIVE EFFECTS

96. The Proposed Acquisition is reasonably likely to substantially lessen competition or tend to create a monopoly in the Relevant Markets by creating a combined firm with the ability and increased incentive to withhold Activision's valuable gaming content from, or degrade Activision's content for, Microsoft's rivals. The combined firm would have the ability to exclude Microsoft's rivals from access to some or all of Activision's content in the Relevant Markets. Microsoft would have the power to decide if, when, and to what extent Activision content will be available on competing products. The Proposed Acquisition is likely to increase entry barriers, thereby dampening beneficial rivalry and innovation. If permitted to make Activision a captive supplier, Microsoft would have a substantially increased incentive to engage in strategies to that would likely lead to reduced consumer choice, higher prices or lower quality products, and less innovation.

I. As the Owner of Activision's Gaming Content, Microsoft Would Have the Ability to Disadvantage Rivals by Withholding or Degrading Activision Content in the Relevant Markets

97. AAA gaming content is a substantially important input for High-Performance Consoles, Multi-Game Content Library Subscription Services and Cloud Gaming Subscription Services, as these products use AAA content to attract and retain users and drive adoption. AAA content is difficult to produce given the intense resources and specialized competency required to develop these valuable games.

98. Activision is a leader amongst an already limited number of developers able to produce such content through its cherished gaming franchises, including *Call of Duty*, *Diablo*, and *Overwatch*. As the owner of Activision's gaming content, Microsoft would have the ability to disadvantage rivals by withholding or degrading Activision content in the Relevant Markets.

A. AAA Content is a Substantially Important Input for Products in the Relevant Markets

99. As discussed above, AAA gaming content is an important input for consoles and gaming subscription services. AAA games typically represent an outsized portion of revenue on these products and drive greater engagement and adoption.

100. Microsoft's own executives repeatedly emphasize [redacted]. In a 2019 internal email, Xbox's then-Chief Marketing Officer told Microsoft's Mr. Nadella that [redacted] In a June 2020 conversation between other Microsoft executives about Game Pass growth drivers, one aptly points out, "[redacted]."

101. Similarly, Microsoft echoes the importance of AAA content on its High-Performance Consoles. As one direct report to Mr. Spencer relayed to him, the [redacted]" During negotiations with top third-party publishers for inclusion of their games on Xbox Series X|S, Microsoft internally noted that Activision "[redacted]" entitled to "[redacted]."

102. Activision's powerful influence on gaming product adoption is also borne out by its revenue share negotiations with [redacted] In one Microsoft executive's words, Activision's share on *Call of Duty* is "[redacted]" and is the [redacted]

B. As the Owner of the Activision Content, Microsoft Would Have the Ability to Withhold Activision's Content from, or Degrade Activision Content on, Rival Consoles and Subscription Services

103. The Proposed Acquisition would give Microsoft total control over Activision's content, thereby giving Microsoft the ability to fully withhold Activision content from rivals, raise rivals' costs, change the terms and timing of access to Activision content, or degrade the quality of Activision content available for rival consoles and subscription services.

104. The Proposed Acquisition would give Microsoft the ability to engage in several strategies to degrade access to Activision content on rival consoles and subscription services, including timed exclusivity, exclusive downloadable content available only on Microsoft's products, and a variety of other means across the Relevant Markets.

105. Microsoft also would gain the ability to engage in tactics to degrade the quality of Activision content on competing consoles and subscription services and create a less desirable player experience for users choosing to play anywhere other than on Microsoft's products.

106. The Proposed Acquisition also would give Microsoft the ability to reduce efforts to optimize Activision content for rival products. Currently, Activision collaborates closely with gaming hardware manufacturers to ensure an optimal experience for gamers. For example, Activision collaborated with [redacted] Should the Proposed Acquisition close, the combined firm will have the ability to reduce such collaboration in the High-Performance Console Market.

107. Activision also works to optimize its games, including *Call of Duty*, to work on [redacted]. A GPU (or Graphics Processing Unit) is a hardware component that renders graphics for video games. [redacted] The Proposed Acquisition would give Microsoft the ability to reduce efforts to optimize Activision content for hardware used by rival Cloud Gaming Subscription Services.

II. The Proposed Acquisition Would Increase Microsoft's Incentive to Disadvantage Rivals by Withholding or Degrading Activision Content in the Relevant Markets.

108. If permitted to take control of Activision, Microsoft would have an incentive to disadvantage rivals by withholding or degrading Activision content. Gaming is a growing and lucrative market opportunity and one in which Microsoft is already well-positioned. Microsoft already has a built-in incentive to promote its own products wherever possible, and it fully understands the competitive power that owning Activision's leading gaming content would yield.

109. Prior to the Proposed Acquisition, Activision sought to maximize its profits from sales of its video game titles. The Proposed Acquisition would change Activision's incentives, because Microsoft stands to gain significant profits from additional gamers purchasing Xbox consoles or Xbox Game Pass. Hence, the combined firm will be incentivized to disadvantage Microsoft rivals by withholding Activision content from, or degrading Activision content on, rival consoles and subscription services to promote sales of Microsoft's products.

110. While AAA content in general is important to competitors in the Relevant Markets, Activision content is especially important because of its ability to drive gaming product adoption and engagement by users.

111. Activision's own documents point out the significant role Activision content plays in consumers' choice of gaming products. In a 2019 presentation to [redacted], Activision highlighted consumer survey data showing that [redacted]

112. The Proposed Acquisition would reduce Microsoft's incentive to optimize Activision content for rival products, including via collaboration with Microsoft's rivals. Given the competition between Microsoft and Sony, the combined firm will have less incentive to collaborate with Sony to [redacted]. In addition, because Microsoft's Game Pass Ultimate competes [redacted]

III. Microsoft's Statements and Past Actions Indicate that It Will Likely Act on Its Incentives to Disadvantage Rivals by Withholding or Degrading Activision Content.

113. Microsoft stated earlier this year that it [redacted]. Microsoft subsequently has wavered in its representations as to [redacted]

114. Moreover, Microsoft's past conduct is telling. Despite statements by Microsoft to European regulators disavowing the incentive to make ZeniMax content exclusive post-close, after the EC cleared the transaction, Microsoft plans for three of the newly acquired titles to become exclusive to Microsoft's Xbox consoles and Xbox Game Pass subscription services. For example, although previous titles in ZeniMax's [redacted] franchise were released on PlayStation, Microsoft has confirmed that the upcoming [redacted] will be available only on Xbox consoles, Windows PCs, and Xbox Game Pass subscription services. Microsoft has also stated that *Starfield* and *Redfall,* two of the highly anticipated new games in development at the time of Microsoft's purchase of ZeniMax, will also become Xbox console and Xbox Game Pass exclusives upon release.

115. Microsoft's previous representations to the EC about its incentives after its purchase of ZeniMax were not borne out by Microsoft's own post-merger behavior. Instead, Microsoft put its true post-merger incentives on full display when it decided to deny rivals its newly acquired future releases and thwart consumers who would choose to play them on a competing product. Microsoft's past behavior should also cast more suspicion on its non-binding public commitments to keep *Call of Duty* available on PlayStation consoles through the end of Activision's existing agreement with Sony (*i.e.*, through [redacted]).

116. Microsoft is eager to further build upon its already significant strength in gaming, with Mr. Nadella declaring publicly, "Microsoft's ***all-in on gaming***." Looking to reap the financial opportunity available in the gaming industry, Microsoft would be incentivized to withhold Activision content from, or degrade content on, rival products in order to disadvantage its rivals, thereby weakening competition and increasing its profits.

117. Moreover, as Microsoft internally recognizes, acquisitions in this industry [redacted]. This Proposed Acquisition—the largest ever announced in the gaming industry—poses a reasonable probability of further accelerating this trend.

IV. Withholding Activision Content From, or Degrading Activision Content On, Microsoft's Rival Products Will Harm Competition and Consumers in the Relevant Markets

118. Withholding Activision content from, or degrading Activision content on, Microsoft's rivals' products is reasonably likely to substantially lessen competition in the Relevant Markets.

119. This lessening of competition will result in harm to consumers, including reduced consumer choice, reduced product quality, higher prices, and less innovation.

ABSENCE OF COUNTERVAILING FACTORS

120. Respondents cannot demonstrate that entry or expansion in the Relevant Markets would be timely, likely, or sufficient to reverse the anticompetitive effects of the Proposed Acquisition.

121. Respondents cannot demonstrate that the Proposed Acquisition would likely generate verifiable, cognizable, merger-specific efficiencies that would reverse the likely competitive harm from the Proposed Acquisition.

VIOLATION

COUNT I – ILLEGAL ACQUISITION

122. The allegations above in paragraphs 1 to 121 are incorporated by reference as though fully set forth.

123. The Proposed Acquisition, if consummated, may lessen competition substantially or tend to create a monopoly in interstate trade and commerce in the Relevant Markets throughout the country, including as a result of the combined firm's ability and incentive to withhold or degrade content from downstream rivals in the Relevant Markets

124. The Proposed Acquisition violates Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18 and is an unfair method of competition that violates Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

NOTICE

Notice is hereby given to the Respondents that the second day of August, 2023, at 10:00 a.m., is hereby fixed as the time, and the Federal Trade Commission offices at 600 Pennsylvania Avenue, N.W., Room 532, Washington, D.C. 20580, as the place, when and where an evidentiary hearing will be had before an Administrative Law Judge of the Federal Trade Commission, on the charges set forth in this complaint, at which time and place you will have the right under the Federal Trade Commission Act and the Clayton Act to appear and show cause why an order should not be entered requiring you to cease and desist from the violations of law charged in the complaint.

You are notified that the opportunity is afforded you to file with the Commission an answer to this complaint on or before the fourteenth (14th) day after service of it upon you. An answer in which the allegations of the complaint are contested shall contain a concise statement of the facts constituting each ground of defense; and specific admission, denial, or explanation of each fact alleged in the complaint or, if you are without knowledge thereof, a statement to that effect. Allegations of the complaint not thus answered shall be deemed to have been admitted.

If you elect not to contest the allegations of fact set forth in the complaint, the answer shall consist of a statement that you admit all of the material facts to be true. Such an answer shall constitute a waiver of hearings as to the facts alleged in the complaint and, together with the complaint, will provide a record basis on which the Commission shall issue a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding. In such answer, you may, however, reserve the right to submit proposed findings and conclusions under Rule 3.46 of the Commission's Rules of Practice for Adjudicative Proceedings.

Failure to file an answer within the time above provided shall be deemed to constitute a waiver of your right to appear and to contest the allegations of the complaint and shall authorize the Commission, without further notice to you, to find the facts to be as alleged in the complaint and to enter a final decision containing appropriate findings and conclusions, and a final order disposing of the proceeding.

The Administrative Law Judge shall hold a prehearing scheduling conference not later than ten (10) days after the Respondents file their answers. Unless otherwise directed by the Administrative Law Judge, the scheduling conference and further proceedings will take place at the Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Room 532, Washington, D.C. 20580. Rule 3.21(a) requires a meeting of the parties' counsel as early as practicable before the pre-hearing scheduling conference (but in any event no later than five (5) days after the Respondents file their answers). Rule 3.31(b) obligates counsel for each party, within five (5) days of receiving the Respondents' answers, to make certain initial disclosures without awaiting a discovery request.

NOTICE OF CONTEMPLATED RELIEF

Should the Commission conclude from the record developed in any adjudicative proceedings in this matter that the Acquisition challenged in this proceeding violates Section 5 of the Federal Trade Commission Act, as amended, and/or Section 7 of the Clayton Act, as amended, the Commission may order such relief against Respondents as is supported by the record and is necessary and appropriate, including, but not limited to:

1. A prohibition against any transaction between Microsoft and Activision that combines their businesses, except as may be approved by the Commission.

2. If the Acquisition is consummated, divestiture or reconstitution of all associated and necessary assets, in a manner that restores two or more distinct and separate, businesses, with the ability to offer such products and services as Microsoft and Activision were offering and planning to offer prior to the Acquisition.

3. A requirement that, for a period of time, Microsoft and Activision shall not, without giving provide prior notice to and obtaining the prior approval of the Commission, acquire, merge with, consolidate, or combine their businesses with any other company engaged in business activity in the relevant markets and, if necessary, in related business activity and markets.

4. A requirement to file periodic compliance reports with the Commission.

5. Requiring that Respondents' compliance with the order may be monitored at Respondents' expense by an independent monitor, for a term to be determined by the Commission.

6. Any other relief appropriate to correct or remedy the anticompetitive effects of the Acquisition or to restore Arm as an independent business.

IN WITNESS WHEREOF, the Federal Trade Commission has caused this complaint to be signed by its Secretary and its official seal to be hereto affixed, at Washington, D.C., this eighth day of December, 2022.

By the Commission, Commissioner Wilson dissenting.

April J. Tabor
Secretary

SEAL:

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Rebecca Kelly Slaughter
Alvaro M. Bedoya

In the Matter of **SANOFI,** **a corporation;** **GENZYME CORPORATION,** **a corporation;** **and** **MAZE THERAPEUTICS, INC.** **a corporation;**	**Docket No. 9422** **PUBLIC VERSION**

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act ("FTC Act"), and by virtue of the authority vested in it by the FTC Act, the Federal Trade Commission ("Commission"), having reason to believe that Respondent Genzyme Corporation, a wholly-owned subsidiary of Respondent Sanofi, (collectively, "Sanofi") and Respondent Maze Therapeutics, Inc. ("Maze") have executed an agreement pursuant to which Sanofi proposes to acquire an exclusive license to Maze's glycogen synthase 1 ("GYS1") products and related technology, including its lead clinical candidate MZE001 (the "Proposed Transaction") in violation of Section 2 of the Sherman Act, 15 U.S.C. § 2, Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint pursuant to Section 5(b) of the FTC Act, 15 U.S.C. § 45(b), and Section 11(b) of the Clayton Act, 15 U.S.C. § 21(b), stating its charges as follows:

NATURE OF THE CASE

1. For over a decade, Sanofi has been the monopolist supplier of drugs used to treat Pompe disease, a rare genetic disorder that causes progressive muscle damage and often leads to death. As a monopolist, Sanofi charges an average patient over $750,000 for a course of annual treatment.

2. Maze has been developing a treatment for Pompe disease that would be easier and quicker for patients to consume. Recognizing that Maze's innovative products risk dislodging its own dominance, Sanofi is now trying to buy out Maze rather than compete with it.

3. This is a case about a monopolist seeking to eliminate a nascent threat to its monopoly.

4. For over a decade, Sanofi has been the only supplier of Food and Drug Administration ("FDA") approved treatments for Pompe disease. Sanofi's first Pompe treatment, Lumizyme (alglucosidase alfa), won FDA approval in 2010 to treat patients eight years and older with late-onset Pompe disease ("LOPD"). Lumizyme remained the only available Pompe disease treatment until August 2021, when Sanofi launched a second treatment, Nexviazyme (avalglucosidase alfa). Lumizyme and Nexviazyme are both enzyme replacement therapies ("ERTs"), administered at clinics via biweekly intravenous ("IV") infusions. Although the FDA approved a two-drug regimen developed by Amicus Therapeutics, Inc. ("Amicus") on September 28, 2023 as a second-line therapy for certain Pompe disease patients who are not improving on their current (*i.e.*, Sanofi) ERT Pompe disease treatment, Sanofi possesses monopoly power in the sale of treatments for Pompe disease.

5. Maze is developing a GYS1 inhibitor drug to treat Pompe disease called "MZE001." Unlike Sanofi's Lumizyme and Nexviazyme ERTs, which are administered in biweekly IV infusions lasting several hours, MZE001 is an oral medication taken twice daily—which would significantly reduce the treatment burden for Pompe disease patients.

6. In April 2021, only one month after Maze first publicly revealed its clinical pipeline, Sanofi [redacted] As Maze continued to make progress in its development of MZE001, [redacted] In doing so, Sanofi concluded that MZE001's greatest commercial value is [redacted] Indeed, if the Proposed Transaction is consummated, Sanofi plans on [redacted]

7. Because MZE001 promises to offer similar therapeutic efficacy but significantly reduce patients' treatment burden, Sanofi forecast that if MZE001 is approved [redacted] Sanofi's Senior Director of New Product Planning for Rare Diseases observed that [redacted]

8. At first, Sanofi attempted to meet this competition by striving to innovate.

9. Maze's development of MZE001 spurred Sanofi to In February 2022, Maze announced new preclinical data supporting MZE001's advancement and that it was initiating first-in-human trials. Sanofi then realized A few months later, observing that MZE001 can be administered orally and cognizant of the drug's commercial promise, Sanofi concluded that it had to

10. Maze's series of positive announcements regarding MZE001 made it clear to Sanofi that Sanofi therefore had two options. The first was to continue to compete on the merits by The second was to eliminate competition by neutralizing the nascent competitive threat that MZE001 posed.

11. Sanofi chose the second option. Internally, Sanofi executives made clear that acquiring MZE001 would transform MZE001 from a threat into a shield to protect Sanofi's monopoly,

12. In April 2022, Maze executives travelled to Boston to meet with Sanofi personnel to discuss MZE001. The next month, high level Maze and Sanofi

executives met again in Cambridge, Massachusetts, to discuss potential business collaborations relating to MZE001. In an internal email, Maze's then-Chief Business Officer described the deal structures discussed at the May 2022 meeting: [redacted]

13. By June 2022, Maze [redacted] In July 2022, Sanofi presented financial terms for acquiring an exclusive license to MZE001. Maze and Sanofi executives continued to negotiate through the fall and winter, with [redacted] These negotiations culminated in a three-day in-person meeting between Maze and Sanofi executives in Cambridge in late March 2023 to finalize the language of the definitive license agreement, which the two companies ultimately executed on April 21, 2023 (the "License Agreement").

14. For its part, Maze negotiated the License Agreement based on the understanding that [redacted]

15. The anticompetitive impact of the License Agreement was immediate. Shortly after the agreement was signed, [redacted] Although the License Agreement has already lessened competition, if consummated, the Proposed Transaction would forever deprive Pompe disease patients of the benefits of competition between Sanofi and Maze [redacted]

16. Although a small number of other firms have initiated Phase 1 clinical trials for other Pompe disease treatments, Sanofi forecasts that [redacted] In fact, Sanofi's internal models of the Proposed Transaction projected that MZE001 in a rival's hands could capture as much as [redacted]

17. The Proposed Transaction would eliminate the nascent threat MZE001 poses and, therefore, constitutes conduct that is reasonably capable of contributing significantly to Sanofi's continued monopoly power in treatments for Pompe disease, which violates Section 2 of the Sherman Act, and thus constitute an unfair method of competition in violation of Section 5(a) of the FTC Act.

18. The effect of the Proposed Transaction also may be substantially to lessen competition or tend to create a monopoly in the market for treatments for Pompe disease, which violates Section 7 of the Clayton Act.

JURISDICTION

19. Respondents are, and at all relevant times have been, engaged in commerce or in activities affecting "commerce" as defined in Section 4 of the FTC Act, 15 U.S.C. § 44, and Section 1 of the Clayton Act, 15 U.S.C. § 12.

20. The Proposed Transaction constitutes an acquisition subject to Section 7 of the Clayton Act, 15 U.S.C. § 18.

RESPONDENTS

21. Respondent Sanofi is a multinational pharmaceutical company headquartered in Paris, France. Sanofi shares are traded on the Paris and New York stock exchanges, and the company in 2022 reported total net sales of about $47 billion. Sanofi is the product of a series of mergers, including its 2011 acquisition of Genzyme Corporation ("Genzyme"), which brought with it a specialty care business focused on drug development for rare diseases. Lysosomal Storage Disorders ("LSDs"), rare genetic conditions (such as Pompe disease) caused by enzyme deficiencies are a cornerstone of Sanofi's rare disease franchise. Currently, Sanofi has seven marketed therapies for LSDs, including its two medications for Pompe disease. Sanofi's Pompe treatments generated global revenues of approximately $1.2 billion in 2022, approximately $500 million of which was generated in the United States.

22. Respondent Genzyme is a Massachusetts corporation that is a wholly-owned subsidiary of Sanofi. Headquartered in Cambridge, Massachusetts, Genzyme researches, develops, and markets pharmaceutical products in the United States. Genzyme is a party to the License Agreement with Maze.

23. Respondent Maze, founded in 2019, is a privately held biotechnology company headquartered in South San Francisco, California. In addition to MZE001, Maze's portfolio includes target therapies in the neurological, cardio/renal, and ophthalmology disease areas.

THE PROPOSED TRANSACTION

24. On April 21, 2023, Sanofi and Maze entered into the Proposed Transaction, pursuant to which Sanofi proposes to acquire an exclusive global license to Maze's GYS1 products and related technology, including its lead clinical candidate MZE001 in development for Pompe disease. In consideration of the licenses, Sanofi agreed to pay Maze $130 million in cash, make a $20 million equity investment in Maze when it completes its initial public offering, and pay Maze up to $605 million in future contingent development and commercialization milestone payments, as well as royalties on future sales of the licensed product(s).

POMPE DISEASE

25. Pompe disease, also called glycogen storage disorder type II, is a genetic disorder caused by mutations in the gene that codes for the production of the enzyme acid alpha-glucosidase ("GAA"). The GAA enzyme functions in the lysosomes, an organelle in muscle cells responsible for breaking down the complex sugar glycogen into the simpler sugar glucose, which is the primary energy source for most cells. If the body cannot produce sufficient GAA enzyme, glycogen accumulates to toxic levels, resulting in damage and potentially cell death, particularly to smooth, cardiac, and skeletal muscle cells.

26. Pompe disease is a rare disease, with a worldwide incidence of approximately 1 in 40,000 individuals. Approximately one thousand patients are currently receiving treatment for Pompe disease in the United States. Because the symptoms of Pompe disease overlap with many other neuromuscular conditions, patients often experience a long diagnostic odyssey before receiving a correct diagnosis. Once a physician suspects their patient may have Pompe disease, the physician can diagnose the patient through GAA enzyme analysis and genetic testing. However, because newborn genetic screening testing is becoming more common, the number of diagnosed patients with Pompe disease is expected to increase in the future.

27. Pompe disease is a spectrum disease, with the severity of a patient's symptoms correlating to the degree of the impairment of the ability to produce the GAA enzyme. There are two classifications for Pompe disease: infantile-onset Pompe disease ("IOPD") and late-onset Pompe disease ("LOPD"). IOPD patients typically exhibit symptoms upon birth or shortly thereafter. These patients typically have a genetic variation that results in no GAA enzyme production, and they exhibit the most severe symptoms, including severe muscle weakness resulting in feeding problems and trouble breathing, an enlarged liver, and an enlarged heart due to cardiomyopathy. IOPD is rapidly progressive, and patients typically do not survive beyond the age of two without treatment. Any patient that begins to exhibit symptoms after one year of age is an LOPD patient. LOPD patients typically produce some, but insufficient, GAA enzyme and usually present with progressive muscle weakness and respiratory deterioration due to weakening of the diaphragm muscle. LOPD is a progressive disease, and patients' muscular abilities deteriorate over time, eventually resulting in death, typically through respiratory failure.

28. Today, enzyme replacement therapy ("ERT") is the only treatment for Pompe disease. ERT consists of bi-weekly IV infusions of a synthetic version of the human GAA enzyme that are administered in clinics under medical supervision to replace the GAA enzyme that a patient suffering from Pompe disease is unable to produce naturally.

29. Sanofi's treatments were the only drugs approved to treat Pompe disease in the United States prior to September 28, 2023, when the FDA approved Amicus's IV ERT Pombiliti (cipaglucosidase alfa-atga) in combination with Opfolda (miglustat) oral capsules, as a second-line therapy for Pompe disease. This two-component therapy is approved only for adults with LOPD who are not improving on their current Sanofi ERT. Amicus's product has little to no current market share. Sanofi's internal documents forecast that [redacted]

30. Maze's MZE001 GYS1 inhibitor aims to restore the balance of glycogen in a patient's cells by reducing the production of the glycogen substrate, rather than replacing or restoring the patient's GAA enzyme activity. GYS1 inhibitors are thus referred to as a substrate reduction therapy ("SRT").

THE RELEVANT PRODUCT MARKET

31. A relevant product market in which to analyze the Proposed Transaction is no broader than pharmaceutical treatments for Pompe disease ("Pompe Drugs").

32. The only currently available treatments for Pompe disease are ERT drugs. These drugs attack the root cause of Pompe disease by supplying synthetic versions of the human GAA enzyme that Pompe patients are unable to produce.

33. There is no reasonably interchangeable substitute for Pompe Drugs. The only other option available to Pompe disease patients is palliative care, such as respiratory support, occupational therapy, speech therapy, and physical therapy. These non-pharmaceutical therapies are not reasonable functional substitutes for Pompe Drugs because they do not arrest or slow the progression of Pompe disease.

34. Because there is no substitute for Pompe Drugs, there is no cross-elasticity of demand between them and any other therapy for Pompe disease. Sanofi has repeatedly and profitably raised Lumizyme's and Nexviazyme's prices without patients switching to any other treatment and without considering the price for any other treatment. The annual cost of treatment for either Lumizyme or Nexviazyme for a patient of average weight is over $750,000.

35. Industry participants, including, but not limited to Respondents, recognize the existence of a separate and distinct market for Pompe Drugs in their regular course of business. Physicians and payors consider Sanofi's ERTs to be the only standard of care for Pompe disease. Moreover, when Respondents and other industry participants identify present and future participants in this market, they focus exclusively on drugs that are or will be FDA-approved specifically for Pompe disease.

THE RELEVANT GEOGRAPHIC MARKET

36. The relevant geographic area in which to analyze the effects of the Proposed Transaction on competition is the United States.

37. The FDA regulates the production, research, development, testing, manufacture, marketing, and promotion of drug products in the United States. A company must perform the

necessary clinical trials and obtain FDA approval before marketing a drug in the United States. Accordingly, drugs sold outside the United States, but not approved for sale in the United States, do not provide viable alternatives for customers, even if the prices for Pompe Drugs currently available in the United States increase significantly.

38. Respondents consider the United States to be a distinct market for Pompe Drugs in their regular course of business due to, among other reasons, its separate regulatory and approval process.

MARKET STRUCTURE

39. Sanofi's current market share in the United States market for Pompe Drugs, or any other relevant product market in which it sells Lumizyme or Nexviazyme, is approximately 100 percent. Amicus's Pompe Drug has little to no current market share.

MONOPOLIZATION & UNFAIR METHODS OF COMPETITION

A. Sanofi is a Monopolist in Pompe Drugs

40. Sanofi possesses monopoly power in the United States market for Pompe Drugs, as evidenced by supracompetitive prices and restricted output.

41. Sanofi's share of the market for Pompe Drugs in the United States is currently approximately 100 percent, and Sanofi's ordinary course market forecasts predict [redacted]

42. This market has high entry barriers, including, among other things, the substantial cost and time required to discover, develop, and gain FDA approval for new Pompe Drugs. Marketed products are also protected by patents and other proprietary intellectual property.

i. Direct Evidence of Sanofi's Monopoly Power

43. Sanofi has repeatedly and profitably raised Lumizyme's and Nexviazyme's prices [redacted] and without inducing patients to switch to any other treatment or payers to curtail coverage for the medications. Following fifteen years of price increases, the annual cost of treatment for either Lumizyme or Nexviazyme for a patient of average weight is over $750,000. The fact that Sanofi does not [redacted] is additional direct evidence that Sanofi is able to charge supracompetitive prices without fear of competition from alternative treatments.

44. The extraordinarily high profit margins Sanofi realizes on its Pompe Drugs are additional direct evidence of Sanofi's monopoly power. In 2022, Sanofi enjoyed gross margins of over [redacted] percent, and net operating margins of over [redacted] percent, on sales of Lumizyme and Nexviazyme in the United States.

45. Although Sanofi was aware that Amicus Therapeutics' two-component ERT for Pompe disease was likely to receive FDA approval and launch in 2023, Sanofi has not reduced its pricing for Lumizyme and Nexviazyme in anticipation of the launch of Amicus's Pompe Drug. Because Amicus Therapeutics' two-component ERT was only approved as a second-line therapy (for patients not improving on Sanofi's therapies), Sanofi has little to no incentive to decrease its list prices or offer significant discounts or rebates on Lumizyme and Nexviazyme, which remain the only FDA-approved treatments for newly diagnosed patients starting treatment for Pompe disease.

ii. Indirect Evidence of Sanofi's Monopoly Power

46. Sanofi's current market share in this relevant market, or any other relevant market in which it sells Lumizyme or Nexviazyme in the United States, is approximately 100 percent.

47. Sanofi's high market share is protected by significant barriers to entry and the lack of competitive Pompe Drug launches on the horizon. Other than Amicus' second-line treatment, [redacted]

B. MZE001 Constitutes a Nascent Threat to Sanofi's Monopoly

48. Sanofi's proposed acquisition of an exclusive license to MZE001 would eliminate a nascent threat to Sanofi's monopoly for FDA-approved treatments for Pompe Drugs in the United States.

i. MZE001 Targets the Same Indication as Sanofi's Nexviazyme

49. The target product profile for MZE001 largely overlaps with the product profile for Sanofi's Lumizyme and Nexviazyme. If Maze or another pharmaceutical partner gained FDA approval for MZE001, [redacted] Nexviazyme is currently approved as a first-line therapy for LOPD patients one year of age and older.

50. There is significant expected demand for an oral Pompe disease monotherapy with similar safety and efficacy to ERTs, because it would significantly reduce patients' treatment burden. ERTs typically require patients to visit an infusion center or physician's office every two weeks for IV infusions lasting up to five hours. In contrast, a patient can take an oral medication like MZE001 at home without the need for supervision by a medical professional.

51. Sanofi's commercial team responsible for Pompe disease recognizes [redacted]

[redacted]

52. After conducting market research on how physicians would view MZE001, Sanofi's Director of New Product Planning for Rare Diseases concluded [redacted]

53. Likewise, internal Maze documents discussed that MZE001 could [redacted]

ii. Maze's Preclinical and Clinical Studies Demonstrate MZE001's Threat to Impact Sanofi's Monopoly

54. MZE001 is the lead program in Maze's research and development pipeline. Prior to negotiations with Sanofi, Maze took several concrete steps toward gaining FDA approval for the drug. Maze [redacted] successfully completing Phase 1 clinical trials with positive results. Maze [redacted] In a February 2023 press release announcing positive data from its Phase 1 clinical trials for MZE001, Maze also announced it was poised to begin Phase 2 clinical trials for MZE001 later in 2023. [redacted]

55. The results of preclinical and clinical studies for MZE001 showcase the drug's promise. In February 2022, Maze published results from preclinical studies which demonstrated, among other conclusions, that MZE001 potently and selectively inhibited glycogen synthesis in human and animal *in vitro* assays, including in cells from healthy volunteers and patients with Pompe disease, as well as *in vivo* mouse and canine studies, and that MZE001's GYS1 inhibition was generally well tolerated.

56. In February 2023, Maze announced positive results from the MZE001 Phase 1 clinical trial in 112 healthy volunteers. Maze's Chief Medical Officer ("CMO") stated that the clinical data "showcases [MZE001's] ability to potently and selectively inhibit GYS1, the enzyme that controls glycogen production, a key driver of Pompe disease[.]" He further stated

that the Phase 1 data "mirror [Maze's] preclinical findings and provide proof of mechanism for MZE001." Maze's CMO also contrasted the results against the current standard of care – Sanofi's ERTs. "While enzyme replacement therapy has brought significant benefit to patients, glycogen accumulation in muscle continues to allow the disease to progress, specifically impacting ambulation and respiratory function. By leveraging large sources of matched genetic and clinical data with our Compass platform, we were able to design MZE001 to address longstanding questions around safety and efficacy that previously precluded development of a substrate reduction therapy."

iii. Sanofi Internally Assessed MZE001 as a Threat to Its Monopoly

57. Because of MZE001's promise as a first-to-launch oral SRT for Pompe disease, Sanofi employees repeatedly recognized the threat MZE001 posed to Sanofi's monopoly.

[redacted]

58. Consistent with these conclusions, Sanofi's internal forecasts evaluating the Proposed Transaction projected [redacted]

59. [redacted]

C. Absence of Procompetitive Justifications

60. Respondent Sanofi cannot demonstrate procompetitive justifications for the Proposed Transaction that increase competition on the merits and produce benefits to competition. Any proffered justifications are pretextual and do not outweigh the anticompetitive effect of Sanofi removing a threat to its monopoly. Any purported benefits could be accomplished through other means without eliminating competition between Sanofi's Pompe drugs and MZE001.

SUBSTANTIAL LESSENING OF COMPETITION

61. The Proposed Transaction would eliminate all ongoing competition between Maze and Sanofi for Pompe Drugs, depriving patients, doctors, and payers of the benefits of competition, including greater innovation.

62. If Sanofi did not acquire MZE001, MZE001 would continue development as part of Maze, an independent player already engaged in the business of developing a Pompe Drug and working diligently to commercialize it.

63. The Proposed Transaction could delay MZE001's FDA approval timeline. Maze, either independently or partnered with another firm, has strong financial incentives to progress MZE001 through the clinical trial process quickly, because only upon receiving FDA approval will MZE001 begin to generate revenue in the relevant market. [redacted]

64. The Proposed Transaction may substantially lessen competition, further harming patients, physicians, and payors by eliminating close competition between Maze and Sanofi.

65. Pharmaceutical companies compete not only on price, but also to develop better treatments to meet unmet needs. In a competitive market, pharmaceutical companies are driven by the incentive to research and develop innovative treatments. When multiple companies strive to develop new drugs, that innovation race produces tangible benefits for consumers. An awareness of the innovation efforts of other firms—information that is often publicly available for drugs in the clinical development pipeline—pushes the pace car of research and development for competing firms.

66. At present, Maze and Sanofi are [redacted] Maze's preclinical data and successful Phase 1 clinical trial has pressured Sanofi [redacted]

67. In February 2022, Maze announced that it would be initiating first-in-human trials for MZE001. Sanofi then realized [redacted]

[redacted]

68. If consummated, the Proposed Transaction would eliminate this close ongoing competition. The elimination of competition would dramatically reduce Sanofi's financial incentives to continue [redacted]

69. Respondents cannot demonstrate that entry or expansion of products in the market for Pompe Drugs in the United States would be timely, likely, or sufficient in magnitude, character, and scope to deter or counteract the anticompetitive effects of the Proposed Transaction.

70. Successful entry into the United States Pompe Drug market would be difficult, time consuming, and costly, requiring specialized know-how, advanced technology, and specialized equipment and facilities. Before a prescription pharmaceutical product may be sold in the United States, it must be approved by the FDA as safe and effective for its intended indication. The approval process is lengthy and costly. Development of a drug indicated for Pompe disease can take several years and can cost hundreds of millions of dollars.

71. Respondents cannot demonstrate merger-specific, verifiable, and procompetitive efficiencies likely to pass through to consumers of sufficient magnitude and likelihood to rebut the evidence of the Proposed Transaction's anticompetitive effects.

VIOLATIONS

COUNT I – MONOPOLIZATION & UNFAIR METHODS OF COMPETITION

72. The allegations of Paragraphs 1 through 71 are incorporated by reference.

73. Respondent Sanofi has, and at all relevant times had, monopoly power in the relevant market for Pompe Drugs, as well as in any other relevant market in which it sells Lumizyme or Nexviazyme.

74. Maze's MZE001 is a nascent threat to Sanofi's monopoly power.

75. The Proposed Transaction, if consummated, would eliminate the nascent competitive threat that MZE001 poses to Sanofi's monopoly power and, therefore, constitutes anticompetitive conduct reasonably capable of contributing significantly to Sanofi's continued monopoly power.

76. Sanofi lacks any legitimate business justification for its anticompetitive conduct, and any claimed justification is pretextual and does not outweigh the anticompetitive effect of the Proposed Transaction.

77. The Proposed Transaction constitutes monopolization in violation of Section 2 of the Sherman Act, 15 U.S.C. § 2, and Respondents' acts and practices are anticompetitive in nature and tendency and thus constitute unfair methods of competition in violation of Section 5(a) of the FTC Act, as amended, 15 U.S.C. § 45(a).

COUNT II – ILLEGAL ACQUISITION

78. The allegations of Paragraphs 1 through 71 above are incorporated by reference.

79. The Proposed Transaction would eliminate ongoing competition between Respondents Sanofi and Maze in the relevant market for Pompe Drugs. Although other firms also are engaged in research and development for Pompe Drugs, Maze and Sanofi are particularly close competitors [redacted] As a result, patients and physicians will lose the benefit of the competitive process by which Sanofi and Maze are [redacted] Respondents cannot show that any cognizable efficiencies are of a character and magnitude such that the Proposed Transaction is not likely to be anticompetitive.

80. The Proposed Transaction, if consummated, may substantially lessen competition or tend to create a monopoly in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18, and constitutes an unfair method of competition in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

NOTICE

Notice is hereby given to the Respondents that the fifteenth day of May, 2024, at 10 a.m. EST, is hereby fixed as the time, and the Federal Trade Commission offices at 600 Pennsylvania Avenue, N.W., Room 532, Washington, D.C. 20580, as the place, when and where an evidentiary hearing will be had before an Administrative Law Judge of the Federal Trade Commission, on the charges set forth in this complaint, at which time and place you will have the right under the Federal Trade Commission Act and the Clayton Act to appear and show cause why an order should not be entered requiring you to cease and desist from the violations of law charged in the complaint.

You are notified that this administrative proceeding shall be conducted as though the Commission, in an ancillary proceeding, has also filed a complaint in a United States District Court, seeking relief pursuant to Section 13(b) of the Federal Trade Commission Act, 15 U.S.C. 53(b), as provided by Commission Rule 3.11(b)(4), 16 CFR 3.11(b)(4). You are also notified that the opportunity is afforded you to file with the Commission an answer to this complaint on or before the fourteenth (14th) day after service of it upon you. An answer in which the allegations of the complaint are contested shall contain a concise statement of the facts constituting each ground of defense; and specific admission, denial, or explanation of each fact alleged in the complaint or, if you are without knowledge thereof, a statement to that effect. Allegations of the complaint not thus answered shall be deemed to have been admitted. If you elect not to contest the allegations of fact set forth in the complaint, the answer shall consist of a statement that you admit all of the material facts to be true. Such an answer shall constitute a waiver of hearings as to the facts alleged in the complaint and, together with the complaint, will provide a record basis on which the Commission shall issue a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding. In such answer, you may, however, reserve the right to submit proposed findings and conclusions under Rule 3.46 of the Commission's Rules of Practice for Adjudicative Proceedings.

Failure to file an answer within the time above provided shall be deemed to constitute a waiver of your right to appear and to contest the allegations of the complaint and shall authorize the Commission, without further notice to you, to find the facts to be as alleged in the complaint and to enter a final decision containing appropriate findings and conclusions, and a final order disposing of the proceeding.

The Administrative Law Judge shall hold a prehearing scheduling conference not later than ten (10) days after the Respondents file their answers. Unless otherwise directed by the Administrative Law Judge, the scheduling conference and further proceedings will take place at the Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Room 532, Washington, D.C. 20580. Rule 3.21(a) requires a meeting of the parties' counsel as early as practicable before the pre-hearing scheduling conference (but in any event no later than five (5) days after the Respondents file their answers). Rule 3.31(b) obligates counsel for each party, within five (5) days of receiving the Respondents' answers, to make certain initial disclosures without awaiting a discovery request.

NOTICE OF CONTEMPLATED RELIEF

Should the Commission conclude from the record developed in any adjudicative proceedings in this matter that the Proposed Transaction challenged in this proceeding violates Section 5 of the Federal Trade Commission Act, as amended, and/or Section 7 of the Clayton Act, as amended, the Commission may order such relief against Respondents as is supported by the record and is necessary and appropriate, including, but not limited to:

1. If the Proposed Transaction is consummated, full divestiture or reconstitution of all associated and necessary assets, in a manner that fully restores competition, eliminates the effects of the Proposed Transaction, and replaces the lost competitive intensity.

2. A prohibition against any transaction between Respondents that combines their businesses in the relevant market, except as may be approved by the Commission.

3. A requirement that, for a period of time, Respondents provide prior notice to and obtain prior approval of the Commission before all Proposed Transactions, mergers, consolidations, or any other combinations of their businesses in the relevant market with any other company operating in the relevant market.

4. A requirement to file periodic compliance reports with the Commission.

5. A requirement that Respondents' compliance with the order be monitored at Respondents expense and by an independent monitor for a term to be determined by the Commission.

6. Any other relief appropriate to correct or remedy the anticompetitive effects of the Proposed Transaction or to restore MZE001 as a viable, independent competitor in the relevant market.

IN WITNESS WHEREOF, the Federal Trade Commission has caused this complaint to be signed by its Secretary and its official seal to be hereto affixed, at Washington, D.C., this eleventh day of December, 2023.

By the Commission.

April J. Tabor
Secretary

SEAL:

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Lina M. Khan, Chair**
Rebecca Kelly Slaughter
Alvaro Martín Bedoya

In the Matter of	)	
Amgen Inc., a corporation,	)	
and	)	**PUBLIC**
Horizon Therapeutics plc, a corporation.	)	**DECISION AND ORDER** **DOCKET NO. 9414**

DECISION

The Federal Trade Commission ("Commission") issued its Complaint charging Respondent Amgen Inc. ("Amgen") and Respondent Horizon Therapeutics plc ("Horizon") (collectively "Respondents") with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45 (collectively "Acts"). The Commission served Respondents with a copy of that Complaint together with a notice of contemplated relief. Respondents answered the Complaint and denied the charges.

Respondents and the Bureau of Competition executed an Agreement Containing Consent Order ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Complaint, (2) a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Complaint, or that the facts as alleged in the Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order.

The Commission considered the matter and accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent Amgen Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of Delaware, with its executive offices and principal place of business located at One Amgen Center Drive, Thousand Oaks, California, 91320.

2. Respondent Horizon Therapeutics plc is a public limited company organized, existing, and doing business under and by virtue of the laws of Ireland with its principal executive offices located at 70 St. Stephen's Green, Dublin 2, D02 E2X4, Ireland.

3. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

A. "Amgen" means Amgen Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Amgen Inc., and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

B. "Horizon" means Horizon Therapeutics plc, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, including Horizon Therapeutics USA, Inc., partnerships, divisions, groups, and affiliates controlled by Horizon Therapeutics plc, and the respective directors, officers, general partners, employees, agents, representatives, successors, and assigns of each.

C. "Commission" means the Federal Trade Commission.

D. "Acquisition Date" means the date on which Amgen acquires Horizon.

E. "Amgen Product" means any Product sold by Respondent Amgen, including after the Acquisition Date excluding the Horizon Products identified in Appendix B.

F. "ANDA" means an Abbreviated New Drug Application.

G. "Biosimilar" means any biologic drug product approved under section 351(k) of the Public Health Services Act.

H. "BLA" means a Biologics License Application.

I. "Competitive Product to KRYSTEXXA" means a Product, or a Biosimilar or Therapeutic Equivalent of that Product that (1) also shares an FDA-labeled indication with

KRYSTEXXA or (2) is used as an Off-Label Treatment for CRG or to treat an FDA-labeled indication shared with KRYSTEXXA.

J. "Competitive Product to TEPEZZA" means a Product, or a Biosimilar or Therapeutic Equivalent of that Product that (1) also shares an FDA-labeled indication with TEPEZZA, or (2) is used as an Off-Label Treatment for TED or to treat an FDA-labeled indication shared with TEPEZZA.

K. "Contract" means an agreement, contract, mutual understanding, arrangement, license agreement, lease, consensual obligation, commitment, promise, or undertaking, whether written or oral, express or implied, or legally binding or not and amendments thereto. In no event does Contract mean drafts or documents that have not been fully executed.

L. "CRG" means severe chronic gout in adult patients refractory to conventional therapy, the indication that has been recognized as an Orphan Disease by the FDA. CRG does not include either (1) mild or moderate gout or (2) severe gout that is treated by or with conventional therapy.

M. "FDA" means the United States Food and Drug Administration.

N. "FTC Form 712" means the FTC's certification form titled "Request for Non-public Materials and Certification of Intent to Maintain Confidentiality and to Restrict Use to Law Enforcement Purposes" that was submitted by each of the Interested States and approved by the FTC pursuant to authority granted under 15 U.S.C. §§ 46(f) and 57b-2(b)(6) and 16 C.F.R. §4.11(c), as part of the sharing of information and documents in this matter, and continues to be in effect for the term of this Order.

O. "Interested States" mean the states of California, Illinois, Minnesota, New York, Washington and Wisconsin (subject to approval by the Wisconsin state legislature).

P. "KRYSTEXXA" means the Product currently manufactured and sold under Biologics License Application #125293 that is indicated to treat CRG with the active ingredient of pegloticase, regardless of formulation, strength, or mode and method of administration, including NDC Number 75987-080, and any supplements, amendments, or revisions to this NDC.

Q. "Monitor" means any Person appointed by the Commission to serve as a monitor pursuant to this Order.

R. "NDA" means a New Drug Application.

S. "Off-Label Treatment for CRG" means any pharmaceutical, biological, or genetic composition containing any formulation or dosage of a compound referenced as its pharmaceutically, biologically, or genetically active ingredient, that has been assigned a BLA number or NDA number that is not indicated for, but is included in the same line of therapy as KRYSTEXXA in all three of the following medical guidelines for CRG treatments published by the: (1) American College of Rheumatology, (2) American

College of Physicians, and (3) Gout, Hyperuricemia and Crystal-Associated Disease Network.

T. "Off-Label Treatment for TED" means any pharmaceutical, biological, or genetic composition containing any formulation or dosage of a compound referenced as its pharmaceutically, biologically, or genetically active ingredient, that has been assigned a BLA number or NDA number that is not indicated for, but is included in the same line of therapy as TEPEZZA in all three of the following medical guidelines for TED treatments published by the: (1) American Thyroid Association, (2) Endocrine Society, and (3) American Academy of Ophthalmology.

U. "Payer" means any pharmacy benefit manager, group purchasing organization (or an equivalent or similar entity), Medicare Advantage plan, and commercial plan sponsor or commercial health plan (including any affiliated specialty pharmacies of such foregoing entities) to the extent that such foregoing entities reimburse, or arrange for reimbursement for all or any part of a Product or is involved in designing the formulary benefit design for such reimbursement.

V. "Person" means any individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture, governmental body, or other entity.

W. "Pharmacy Benefit Product" means any Product that has been approved for patient self-administration by the FDA and therefore may be eligible for coverage or reimbursement under a pharmacy benefit policy.

X. "Product" means any pharmaceutical, biological, or genetic composition containing any formulation or dosage of a compound referenced as its pharmaceutically, biologically, or genetically active ingredient, that has been assigned a BLA number, NDA number, or ANDA number.

Y. "Product Rebate" means any concession or dollar amount provided by pharmaceutical companies for items including, rebates, administrative fees, volume discounts, patient conversion payments, market share-related payments, formulary placement fees, disease management program payments, promotional allowances, portal fees, data fees, and specialty pharmacy discounts.

Z. "TED" means active thyroid eye disease, the indication that has been recognized as an Orphan Disease by the FDA.

AA. "TEPEZZA" means the product currently manufactured and sold under Biologics License Application #761143 that is indicated to treat TED with the active ingredient of teprotumumab, regardless of formulation, strength, or mode and method of administration, including NDC Number: 75987-130, and any supplements, amendments, or revisions to this NDC.

BB. "Therapeutic Equivalent" means a drug product that is classified by the FDA as being therapeutically equivalent to another drug product or that otherwise meets the FDA's criteria for such classification.

II. Prohibited Conduct

IT IS FURTHER ORDERED that Respondent Amgen shall not directly, indirectly, explicitly, or implicitly condition any Product Rebate on, or any contract terms related to, an Amgen Product, in exchange for either (1) the purchase, coverage, placement, or positioning, individually or in any combination, of KRYSTEXXA or TEPEZZA, or (2) the exclusion, detriment, or disadvantage, individually or in any combination, of a Competitive Product to KRYSTEXXA or a Competitive Product to TEPEZZA.

Provided, however, that if Respondent Amgen believes that a Contract that is prohibited in this Section II is required by a federal, state, or local statute, rule, or regulation, Respondent Amgen shall provide 30 days' notice to the Commission prior to entering into such Contract. Additionally, Respondent Amgen agrees to provide the same 30 days' notice to the Interested States, consistent with the Interested States' ability to receive such information pursuant to FTC Form 712, prior to entering into such Contract at the addresses in Appendix A.

III. Required Obligations

IT IS FURTHER ORDERED that:

A. Respondent Amgen shall:

1. Submit to the Monitor all Contracts with Payers related to the purchase, coverage, placement, or positioning of KRYSTEXXA or TEPEZZA in the United States, including all contact numbers and names for persons involved from Amgen and from the other entities, within 30 days of entering into such Contract. For all such Contracts, Respondent Amgen shall keep any documents related to any offers, negotiations, disputes, or enforcement for a period of at least one year from the date of the Contract; and

2. Notify the Monitor if either KRYSTEXXA or TEPEZZA meets all three of the following conditions: (a) KRYSTEXXA or TEPEZZA has been approved by the FDA for patient self-administration; (b) the self-administered version of KRYSTEXXA or TEPEZZA is available on the market; and (c) the self-administered version of KRYSTEXXA or TEPEZZA is otherwise eligible to be covered as a Pharmacy Benefit Product.

B. Respondent Amgen shall require, annually, all Amgen employees with direct involvement in contracting or negotiations with Payers related to the purchase, coverage, placement, or positioning of KRYSTEXXA and/or TEPEZZA in the United States to review this Order and acknowledge in writing (including by email) that they understand and are complying with the obligations of the Order.

C. Respondent Amgen shall provide notification that includes: (1) the Order, (2) the Analysis to Aid Public Comment, (3) the Complaint, and (4) contact information for the Monitor and Commission staff:

1. Annually, to the relevant third-party personnel who contract for the purchase, coverage, placement, or positioning of KRYSTEXXA or TEPEZZA at Payers in the United States; and

2. On Amgen's website.

IV. Monitor

IT IS FURTHER ORDERED that:

A. At any time after the Respondents sign the Consent Agreement in this matter, the Commission may appoint a Monitor to observe and report on Respondents' compliance with all their obligations as required by this Order.

B. The Commission shall select the Monitor, subject to the consent of Respondent Amgen, which consent shall not be unreasonably withheld. If Respondent has not opposed, in writing, including the reasons for opposing, the selection of a proposed Monitor within 10 days after notice by the staff of the Commission to Respondent of the identity of any proposed Monitor, Respondent shall be deemed to have consented to the selection of the proposed Monitor.

C. If a Monitor is appointed, the Respondents and the Monitor may enter into an agreement relating to the Monitor's services. Any such agreement:

1. Shall be subject to the approval of the Commission;

2. Shall not limit, and the signatories shall not construe it to limit, the terms of this Section IV of this Order, and to the extent any provision in the agreement varies from or conflicts with any provision in this Order, Respondents and the Monitor shall comply with this Order; and

3. Shall include a provision stating that the agreement does not limit, and the signatories shall not construe it to limit, the terms of the Order in this matter, and to the extent any provision in the agreement varies from or conflicts with any provision in the Order, Respondents and the Monitor shall comply with the Order.

D. The Monitor shall:

1. Have the authority to monitor Respondents' compliance with the obligations set forth in this Order;

2. Act in consultation with the Commission or its staff;

3. Serve as an independent third party and not as an employee or agent of Respondents or of the Commission;

4. Serve without bond or other security;

5. At the Monitor's option, employ such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;

6. Enter into a non-disclosure or other confidentiality agreement with the Commission related to Commission materials and information received in connection with the performance of the Monitor's duties and require that each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants shall also enter into a non-disclosure or other confidentiality agreement with the Commission;

7. Notify staff of the Commission, in writing, no later than 5 days in advance of entering into any arrangement that creates a conflict of interest, or the appearance of a conflict of interest, including a financial, professional, or personal conflict. If the Monitor becomes aware of a such a conflict only after it has arisen, the Monitor shall notify the Commission as soon as the Monitor becomes aware of the conflict;

8. Report in writing to the Commission, with a copy to the Interested States, consistent with the Interested States' ability to receive such information pursuant to FTC Form 712, at the addresses in Appendix A or other electronic address supplied by the Interested States, concerning Respondents' compliance with the Order on a schedule set by Commission staff and at any other time requested by Commission staff. The Monitor understands that Interested States will consult with the Commission staff before seeking access to the Monitor, any individuals or entities, or information or documents disclosed or referenced in any such reports sent to the Interested States. After such consultation, the Commission staff will facilitate access by the Interested States to the Monitor, or any relevant individuals, entities, information or documents; and

9. Unless the Commission or its staff determine otherwise, the Monitor shall serve until Commission staff determines that Respondents have satisfied all obligations pursuant to this Order.

E. Respondents shall:

1. Cooperate with and assist the Monitor in performing his or her duties for the purpose of reviewing Respondents' compliance with his or her obligations under this Order, including as requested by the Monitor, (a) providing the Monitor full and complete access to personnel, data, information, and facilities; and (b) making such arrangements with third parties to facilitate access by the Monitor;

2. Not interfere with the ability of the Monitor to perform his or her duties pursuant to this Order;

3. Pay the Monitor's fees and expenses as set forth in an agreement approved by the Commission, or if such agreement has not been approved, pay the Monitor's customary fees, as well as expenses the Monitor incurs performing his or her duties under this Order, including expenses of any consultants, accountants, attorneys, and other representatives and assistants that are reasonably necessary to assist the Monitor in carrying out his or her duties and responsibilities;

4. Not require the Monitor to disclose to Respondents the substance of the Monitor's communications with the Commission or any other Person or the substance of written reports submitted to the Commission pursuant to this Order; and

5. Indemnify and hold the Monitor harmless against any loss, claim, damage, liability, and expense (including attorneys' fees and out of pocket costs) that arises out of, or is connected with, a claim concerning the performance of the Monitor's duties under this Order, unless the loss, claim, damage, liability, or expense results from gross negligence or willful misconduct by the Monitor.

F. Respondents may require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to enter into a customary confidentiality agreement, so long as the agreement does not restrict the Monitor's ability to access personnel, information, and facilities or provide information to the Commission or the Interested States, as described in this Order, or otherwise observe and report on the Respondents' compliance with this Order.

G. If the Monitor resigns or the Commission determines that the Monitor has ceased to act, has failed to act diligently, or is otherwise unable to continue serving as a Monitor due to the existence of a conflict or other reasons, the Commission may appoint a substitute Monitor. The substitute Monitor shall be afforded all rights, powers, and authorities and shall be subject to all obligations of the Monitor section of this Order. The Commission shall select the substitute Monitor, subject to the consent of the Respondents. Respondents:

1. Shall not unreasonably withhold consent to the appointment of the selected substitute Monitor;

2. Shall be deemed to have consented to the selection of the proposed substitute Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed substitute Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed substitute Monitor; and

3. May enter into an agreement with the substitute Monitor relating to the substitute Monitor's services that either (a) contains substantially the same terms as the Commission-approved agreement referenced in Paragraph IV.C; or (b) receives Commission approval.

H. The Commission may on its own initiative or at the request of the Monitor issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of this Order.

V. Prior Approval

IT IS FURTHER ORDERED that until and including December 31, 2032, Respondent Amgen shall not, without the prior approval of the Commission, enter into any agreement or understanding to acquire any Product or interest in any business that, at the time such agreement or understanding is entered into, is engaged in the (x) manufacture or sale of Products, or their Therapeutic Equivalents or Biosimilars, that are indicated for TED or CRG, or (y) development of a pre-commercial Product that is in or has completed FDA Phase 2 or Phase 3 clinical trials for TED or CRG. Additionally, Respondent Amgen agrees to provide the non-redacted petition for prior Commission approval to the Interested States, consistent with the Interested States' ability to receive such information pursuant to FTC Form 712, at the addresses in Appendix A.

VI. Compliance Reporting Requirements

IT IS FURTHER ORDERED that:

A. Respondents shall submit verified written reports ("compliance reports") in accordance with the following:

1. Interim compliance reports 30 days after this Order is issued, and every 60 days thereafter for the first year;

2. Annual compliance reports one year after the date this Order is issued, and annually for the next 14 years on the anniversary of that date; and

3. Additional compliance reports as the Commission or its staff may request, including the submission of any Contracts related to Sections II and III of this Order relating to KRYSTEXXA or TEPEZZA. Additionally, Respondent Amgen agrees that the Interested States may request that the Commission staff request an additional compliance report from Respondent Amgen.

B. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with this Order. Conclusory statements that Respondents have complied with their obligations under this Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, a full description of the measures Respondents have implemented and plan to implement to

comply with each paragraph of this Order including a list of Contracts with Payers related to the terms of purchase, coverage, placement, or positioning of KRYSTEXXA or TEPEZZA in the United States, and a list of recipients of notice pursuant to Paragraphs III.B and III.C.

C. Respondents shall verify each compliance report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondents shall file their compliance reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov, as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a). In addition, Respondents shall provide a copy of each non-redacted compliance report to the Monitor if the Commission has appointed one in this matter, and to the Interested States, consistent with the Interested States' ability to receive such information pursuant to FTC Form 712, at the addresses in Appendix A.

VII. Change in Respondent

IT IS FURTHER ORDERED that Respondent Amgen shall notify the Commission at least 30 days prior to:

A. The proposed dissolution of Amgen Inc.;

B. The proposed acquisition, merger, or consolidation of Amgen Inc.; or

C. Any other change in Respondent Amgen, including assignment and the creation, sale, or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order.

VIII. Access

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to Respondents, Respondents shall, without restraint or interference, permit any duly authorized representative of the Commission:

A. Access, during business office hours of the Respondents and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and all other records and documents in the possession, or under the control, of the Respondents related to compliance with this Order, which copying services shall be provided by the Respondents at their expense; and

B. To interview officers, directors, or employees of the Respondents, who may have counsel present, regarding such matters.

IX. Purpose of Order

IT IS FURTHER ORDERED that the purpose of this Order is, among other things, to address the theories of harm to competition alleged by the Commission in its Complaint, in this matter, and in the Commission's Joint Federal Court Complaint for Temporary Restraining Order and Preliminary Injunction filed with the Interested States in the United States District Court, Northern District of Illinois, June 22, 2023, Case # 1:23-cv-03053, by formalizing Respondent Amgen's commitment not to engage in the Prohibited Conduct in Section II of this Order.

X. Expiration of Order

IT IS FURTHER ORDERED that this Order shall terminate 15 years from the date it is issued.

By the Commission.

April J. Tabor
Secretary

SEAL:
ISSUED: December 13, 2023

APPENDIX A

1. The State of California at email addresses: Emilio.Varanini@doj.ca.gov; Malinda.Lee@doj.ca.gov; Sophia.TonNu@doj.ca.gov

2. The State of Illinois at email addresses: Elizabeth.Maxeiner@ilag.gov; Richard.Schultz@ilag.gov

3. The State of Minnesota at email address: justin.moor@ag.state.mn.us

4. The State of New York at email addresses: saami.zain@ag.ny.gov; amy.mcfarlane@ag.ny.gov; elinor.hoffmann@ag.ny.gov

5. The State of Washington at email addresses: lumi.nodit@atg.wa.gov; atseaef@atg.wa.gov

6. The State of Wisconsin at email address: cooleygj@doj.state.wi.us

PUBLIC APPENDIX B
EXCLUDED HORIZON PRODUCTS FROM AMGEN PRODUCTS DEFINITION

Marketed Products (including ongoing development programs)

- ACTIMMUNE®
- BUPHENYL®
- DUEXIS®
- KRYSTEXXA®
- PENNSAID®2%
- PROCYSBI®
- QUINSAIR®
- RAVICTI®
- RAYOS®
- TEPEZZA®
- UPLIZNA®
- VIMOVO®

Pipeline Therapies

- Bempikibart
- [CONFIDENTIAL]
- Dazodalibep
- Daxdilimab
- [CONFIDENTIAL]
- [CONFIDENTIAL]
- [CONFIDENTIAL]
- [CONFIDENTIAL]
- [CONFIDENTIAL]
- [CONFIDENTIAL]
- [CONFIDENTIAL]
- HZN-457
- HZN-825
- HZN-1116
- [CONFIDENTIAL]

Collaboration Therapies

- All Products resulting from the collaboration and drug discovery agreement with HemoShear LLC that was originally entered into on April 1, 2019 (inclusive of any Products resulting from amendments and modifications to that agreement entered into since or any time in the future)
- All Products resulting from the collaboration and option agreement with Q32 Bio Inc. that was originally entered into on August 12, 2022 (inclusive of any Products resulting

from amendments and modifications to that agreement entered into since or any time in the future)

- All Products resulting from the collaboration and option agreement with Xeris Pharmaceuticals Inc. that was originally entered into on November 22, 2022 (inclusive of any Products resulting from amendments and modifications to that agreement entered into since or any time in the future)
- All Products resulting from the development agreement with West Pharmaceutical Services, Inc. that was originally entered into on August 5, 2020 (inclusive of any Products resulting from amendments, work orders, supply agreements and modifications to that agreement entered into since or any time in the future)
- All Products resulting from the global agreement with Arrowhead Pharmaceuticals Inc. that was originally entered into on June 18, 2021 (inclusive of any Products resulting from amendments and modifications to that agreement entered into since or any time in the future)
- All Products resulting from the global agreement with Halozyme Therapeutics Inc. that was originally entered into on November 21, 2020 (inclusive of any Products resulting from amendments and modifications to that agreement entered into since or any time in the future)
- All Products resulting from the licensing agreement with Alpine Immune Sciences Inc. that was originally entered into on December 15, 2021 (inclusive of any Products resulting from amendments and modifications to that agreement entered into since or any time in the future)

Federal Trade Commission

Statistical Report on

MERGERS and ACQUSITIONS 1978

Bureau of Economics

August 1980

AR_001386

AUGUST 1980

STATISTICAL REPORT

ON

MERGERS AND ACQUISITIONS

1978

BUREAU OF ECONOMICS

FEDERAL TRADE COMMISSION

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AR_001387

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JOHN C. HILKE, Assistant to the Director
JOHN P. BROWN, Assistant Director for
Consumer Protection
WILLIAM H. SPRUNK, Assistant Director for
Financial Statistics

The Federal Trade Commission has not adopted this report as it own in whole or in part.

AR_001388

Acknowledgements

This report was prepared by the Merger Unit Staff, under the general guidance of William H. Sprunk, Assistant Director for Financial Statistics, Bureau of Economics. Alice Villavicencio was responsible for the economic analysis, research and statistical tabulations. She was assisted by Bessie Boyd, Norma Wimmer, Richard Bison, John Fry, Melinda Polley, James Britton, Michael Crowley and Melissa Pollak.

Although the Merger Unit Staff was ultimately responsible for the data gathering and contents of the report, there were several individuals, who through their services contributed significantly to this project. They are as follows: Emily Robinson, computer analysis; Betsy Zichterman and staff, data transcription; Robert Rogowsky, economic analysis; and the Library staff, for merger information.

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Preface

This statistical report contains 1978 merger information. This data is divided into the four merger series sections: Overall Merger Series, Large Merger Series, Joint Venture Series, and Foreign Merger Series. The contents of each section is explained preceding the tables or listings shown for each series.

Because of limited resources errors and omissions may have occurred. The Federal Trade Commission, therefore, welcomes your contributions for any corrections or additions to this report. If you provide us with additional information, please refer to the public source where you found the information.

All data and listings for 1978 are preliminary and subject to change. However, based on previous years experience, the preliminary data closely reflect the final tabulations.

Please address all correspondence regarding this report to:

Alice M. Villavicencio, Supervisor
Merger Unit
Bureau of Economics
Federal Trade Commission
Washington, D.C. 20850
Telephone - (202) 376-3149

AR_001395

Summary

The number of full acquisitions completed during 1978 or pending at year's end decreased 3.6 percent over the 1977 total. There were 1,503 mergers in 1978, compared to 1,559 in 1977. The number of partial acquisitions increased from 79 to 112. This year, as in 1977, a plurality of acquired and acquiring firms were classified in the manufacting sector.

The number of manufacturing and mining companies acquired in 1978 was 607, an increase of 2.9 percent over last year's figure of 590. The greatest numbers of acquired manufacturing firms were in the industries of nonelectrical machinery, food and kindred products and electrical machinery, together accounting for 210 acquisitions. The smallest numbers were in tobacco manufactures, furniture and fixtures, petroleum and leather products.

Acquired firms that fell into the smallest asset class (under $1.0 million and unknown) acounted for the highest proportion (70.6 percent) of recorded acquisitions, while the largest firms ($100.0 million and over) were the most active acquirers, accounting for 51.5 percent of all acquisitions.

The Large Merger Series, which consists of acqusitions where manufacturing and mining firms with assets of $10 million or more were acquired, showed 110 acquisitions for 1978, an increase of 10 over the revised 1977 figure. Assets acquired in 1978 totalled $10.7 billion, an increase of 19 percent over the 1977 figure.

Large conglomerate mergers remain important in terms of both number (76) and assets ($7.4 billion). Horizontal and vertical mergers also increased to 34 in 1978. 1/

The greatest number of large mergers involved acquired firms in the smallest asset class ($10 - $25 million). These companies accounted for nearly 35 percent of all large firms acquired in 1978. At the same time, acquiring companies in the largest asset class ($100 million and over) accounted for 93.2 percent of all large acquisitions.

Acquisitions made by the 200 largest manufacturing firms decreased in number and assets, compared to the revised 1977 figure. In 1978, this group accounted for 45.1 percent of the acquired assets, while in 1977 it accounted for 58.2 percent of acquired assets.

1/ See Section II, part C for definitions of type of acquisitions--horizontal, vertical, conglomerate.

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The number of new joint ventures reported in 1978 was 114, compared to 115 in 1977. Nearly 53 percent of all new joint ventures formed were in manufacturing. Within the manufacturing sector the majority of these ventures were in the industries of chemicals, electric machinery and nonelectric machinery, accounting for 31 of the 60 reported joint ventures in manufacturing.

The number of American companies acquiring foreign firms increased in 1978 to 161, with manufacturing companies being the predominate acquired and acquiring entities. Firms in the services and others category were second to manufacturers in both groups.

As with the Overall and Large Merger Series, the largest corporations ($100 million and over) were the dominate acquirers, accounting for nearly 69 percent of all full foreign acquisitions.

The total number of American companies acquired by foreign companies increased to 179 in 1978. This represents a 59.8 percent increase over the 1977 figure. Manufacturing ranked highest among both the acquired companies (45.1 percent) and the acquiring companies (36.1 percent). As with other merger series, companies in the smallest asset class represented the largest proportion of acquired companies (63.9 percent), while the leading acquirers were firms in the largest asset class (55.6 percent).

AR_001397

Section I
Overall Merger Series

A. Introduction

This report containing 1978 corporate merger and acquisition data has four sections: Overall Merger Series; Large Merger Series; Joint Venture Series; and Foreign Merger Series. Section I contains the Overall Merger Series, which depicts acquisitions of all asset sizes in manufacturing, mining, wholesale and retail trade, services and others, and those companies whose industry classification is unknown. Also included in this series are 1978 large mergers (acquisitions of companies in the manufacturing and mining industries with assets of $10 million and over) and acquisitions of American companies by foreign companies. Both the large and the foreign mergers are described in more detail in Section II and Section IV, respectively.

Joint Ventures (Section III) and Foreign Mergers, American companies acquiring foreign companies (Section IV), are not included in the Overall Series.

Section I of this report includes as acquisitions those acquired companies which meet the following criteria:

1. The FTC must have jurisdiciton over the industry to which the acquired company belongs.

   This excludes commercial banks, transportation entities, such as railroads and airlines, and communication concerns, such as radio and television stations.

2. The acquiring concern must acquire at least 10 percent of the acquired company's stock or assets.

   A 10 to 50 percent purchase is a partial acquisition. A 50.1 percent and over purchase is a whole or full acquisition.

3. The acquired company must be American.

4. The acquired company must be an independent company, a subsidiary or division of another company, or a division of a subsidiary.

The statistical tables and the acquisitions listed in the Overall Merger Series distinguish between completed acquisitions

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(those for which a completion date is known) and pending acquisitions (those for which a completion date is unknown).

The Overall Merger Series is compiled from various source materials including Moody's Industrial Manual; Moody's Over the Counter Manual; Moody's Bank & Finance Manual; Moody News Reports; Standard & Poor's Standard Corporation Reports; Standard & Poor's American, New York and Over the Counter Stock Exchange Reports; The Wall Street Journal; The New York Times; Journal of Commerce; Dun & Bradstreet's Million Dollar and Middle Market Directories; company annual reports; listing applications to the New York Stock Exchange; FTC pre-merger notification information and the Standard Industrial Classification Manual 1972.

B. Tables - Overall Merger Series

The statistical tables in Part B contain both public and nonpublic data.

All tables in the Overall Merger Series except Table 10 contain 1978 merger data. Table 10 shows the total number of completed acquisitions from 1972 to 1978 and is revised annually when this series is updated. However, because of limited resources, prior year data in this table, along with the other tables containing overall merger data prior to 1978, were generally not revised.

The total number of mergers occurring in 1977 was 1,559 (1,183 completed, 376 pending). The preliminary total of full mergers and acquisitions completed and pending for 1978 is 1,503 (1,245 completed and 258 pending), representing a 3.6 percent decrease over 1977 figures. The greatest merger activity involved firms classified in manufacturing and wholesale and retail trade. The number of manufacturing companies acquired was 558 or 37.1 percent of the total. In wholesale and retail trade there were 185 acquisitions or 12.3 percent of the total (Table 1). The number of partial acquisitions in 1978 was 112 (90 completed and 22 pending).

There were 737 acquiring companies classified in manufacturing and 402 acquiring companies classified in services and others, representing 49.0 and 28.0 percent, respectively of the total number of acquisitions (Table 2). These sectors accounted for the largest number of acquiring firms in 1978, as they have for half a decade.

Table 3 shows the total number of manufacturing and mining firms acquired in 1978 (607). This table also presents a further breakdown of the manufacturing companies' major industry groups. Companies classified in the three two-digit groups of non-electrical machinery (75), electrical machinery (67), and food and kindred products (68) represented 210 or 37.6 percent of the 558 acquired manufacturing companies.

AR_001399

Table 4 shows that 425 or 70.0 percent of the manufacturing and mining acquisitions were made by other manufacturing companies. Firms classified in nonelectrical machinery (58), electrical machinery (54), food and kindred products (53), and chemicals (44) accounted for 34.4 percent of the manufacturing and mining acquisitions.

Table 5 breaks down the acquiring manufacturing companies into their major industry groups. This table shows that there were 791 acquisitions made by manufacturing and mining companies in 1978. Of these, the vast majority, 737 or 93.2 percent, were made by manufacturing companies. The most active acquiring groups in the manufacturing industry were nonelectrical machinery, electrical machinery, food and kindred products, and chemicals, accounting for 359 of the manufacturing acquisitions.

In 1978, the number of acquisitions made by manufacturing and mining companies by industry of the acquired firms is shown in Table 6. Of these acquired companies 448 were in manufacturing.

Table 7 is a matrix delineating in more detail the primary activity of the acquired and acquiring companies in 1978. The horizontal axis represents the industry of the acquired firms; the vertical axis the industry of the acquiring firms. In each block, the top number represent completed acquisitions and the bottom number pending acquisitions. If we use industry group 34 (Fabricated Metal Products) as an example, we can determine by reading down from the horizontal axis how many companies were acquired in this group (44 completed and 4 pending). Reading across from the vertical axis and down from the horizontal axis along Industry 34, we see what kinds of companies acquired firms classified in Industry 34. Thus, we can see that there were 11 firms in Industry 34 that were acquired by members of that same industry. The remaining 37 acquired companies were acquired by members of other industries, giving us a total of 48 acquired firms in Industry 34.

Acquired firms in the smallest asset class accounted for the highest proportion of recorded acquisitions. Acquired companies in the under $1.0 million and unknown class numbered 1,061 or 70.6 percent of the total acquisitions shown in Table 8. Asset figures were not available for many of the acquired companies in this category--most likely because the acquired firms were quite small.

Acquiring firms in the $100.0 million and over asset class (Table 9) dominated, accounting for 774 or 51.5 percent of the 1978 whole acquisitions, a 3.3 percent increase over the 1977 figure.

Table 10 shows the number of completed acquisitions for the years 1972-1978. These figures are usually revised annually as the series is updated.

AR_001400

C. Lists - Overall Merger Series

Part C includes four lists containing the Overall Merger Series public data. Tables 11 and 12 list the names and other data of the completed and pending whole acquisitions for 1978. These tables include the acquired companies whose assets are unknown. Table 12a lists the names and other data of the completed and pending partial acquisitions for 1978. Table 13, the parent-subsidiary list, shows the name of the subsidiary company that was acquired and its previous parent. The first three Overall Merger Series lists are arranged alphabetically by name of the acquired company, while the parent-subsidiary list is arranged alphabetically by the name of the subsidiary company.

The following is a brief description of the items included in Tables 11, 12, and 12a:

Industrial classification code of the acquiring company (SIC)--When possible a four-digit SIC code was assigned to the acquiring company using the Standard Industrial Classification Manual, 1972, and Dun and Bradstreet sources. A slash (/) in the fourth space designates a foreign company.

Acquiring company name--This is the name of the company at the time of acquisition. If an acquisition was made through a subsididary or division, the name of the parent company is reported as the acquiring company.

Industrial classification code of the acquired company (SIC)--An SIC code was assigned to the acquired company in the same manner as it was assigned to the acquiring company, except when the company's primary classification was 6711 (holding company). In this case, an attempt was made to classify the company into its second primary line of business.

Independent, subsidiary and division--The number in this column designates whether the acquired company is (1) an independent company (2) a subsidiary of another company (3) a division of another company or (4) a division of a subsidiary of another company. If the acquired entity is a subsidiary of another company or a division of a subsidiary of another company, the name of the subsidiary and its previous parent company is shown in the parent-subsidiary list (Table 13).

Whole or partial--The number in this column designates whether the acquisition was (1) whole, 50.1 percent or more acquired, or (2) partial, 10.0 to 50.0 percent acquired.

Percentages acquired--Percentages were given to partial acquisitions if the figures were known. These appear only on Table 12a.

AR_001401

Acquired company name--This is the name of the acquired company. If a subsidiary company was acquired, the name of the subsidiary appears. If a division was acquired, the name of the parent appears, followed by the name or description of the division acquired.

Date acquisition was completed--This appears in Tables 11 and 12a. It is the date (month/year) when the acquisition was consummated. This column is blank on Table 12a if the partial acquisition is pending.

AR_001402

Table 1

Number of Mergers and Acquisitions Completed and Pending, by Industry of Acquired Companies, 1978

Industry of Acquired Company 1/	Completed	Pending	Total
Total-Full Acquisitions 2/	1,245	258	1,503
Manufacturing	484	74	558
Mining	35	14	49
Trade, Wholesale and Retail	152	33	185
Services and Others 3/	159	46	205
Unknown	415	91	506
Partial Acquisitions 4/	90	22	112

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.

2/ Acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies.

3/ Others include companies engaged in insurance, construction, farming, finance, credit (other than banks), and holding companies.

4/ Acquisitions of 50.0 percent or less of other independent companies or subsidiaries or divisions of other independent companies.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001403

Table 2

Number of Mergers and Acquisitions Completed and Pending, by Industry of Acquiring Companies, 1978

Industry of Acquiring Company [1]	Completed	Pending	Total
Total-Full Acquisitions [2]	1,245	258	1,503
Manufacturing	630	107	737
Mining	45	9	54
Trade, Wholesale and Retail	108	14	122
Services and Others [3]	314	88	402
Unknown	148	40	188
Partial Acquisitions [4]	90	22	112

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.

2/ Acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies.

3/ Others include companies engaged in insurance, construction, farming, finance, credit, real estate, transportation, communication, electric, gas, sanitary services and holding companies.

4/ Acquisitions of 50.0 percent or less of other independent companies or subsidiaries or divisions of other independent companies.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001404

Table 3

Number of Manufacturing and Mining Mergers and Acquisitions Completed and Pending, by Industry of Acquired Companies, 1978

Major Industry Group of Acquired Company 1/	Completed	Pending	Total
Total	519	88	607
Manufacturing	484	74	558
Food and Kindred Products	62	6	68
Tobacco Manufactures	0	0	0
Textile Mill Products	9	5	14
Apparel	12	3	15
Lumber Products, Except Furniture	7	1	8
Furniture and Fixtures	4	0	4
Paper and Allied Products	15	4	19
Printing and Publishing	37	5	42
Chemicals	42	5	47
Petroleum	4	0	4
Rubber and Plastics	21	5	26
Leather Products	4	1	5
Stone, Clay, Glass and Concrete	12	2	14
Primary Metals	17	1	18
Fabricated Metal Products	44	4	48
Nonelectrical Machinery	66	9	75
Electrical Machinery	57	10	67
Transportation Equipment	25	4	29
Instruments and Related Products	31	8	39
Miscellaneous	15	1	16
Mining	35	14	49

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001405

Table 4

Number of Manufacturing and Mining Mergers and Acquisitions Completed and Pending, by Industry of Acquiring Companies, 1978

Major Industry Group of Acquiring Company 1/	Completed	Pending	Total
Total	519	88	607
Manufacturing	368	57	425
Food and Kindred Products	46	7	53
Tobacco Manufactures	4	1	5
Textile Mill Products	8	3	11
Apparel	5	0	5
Lumber Products, Except Furniture	5	1	6
Furniture and Fixtures	2	0	2
Paper and Allied Products	6	2	8
Printing and Publishing	27	3	30
Chemicals	36	8	44
Petroleum	1	1	2
Rubber and Plastics	8	2	10
Leather Products	1	0	1
Stone, Clay, Glass and Concrete	12	2	14
Primary Metals	18	1	19
Fabricated Metal Products	27	5	32
Nonelectrical Machinery	51	7	58
Electrical Machinery	47	7	54
Transportation Equipment	30	2	32
Instruments and Related Products	21	3	24
Miscellaneous	13	2	15
Mining	21	2	23
Trade, Wholesale and Retail	14	0	14
Services and Others 2/	69	14	83
Unknown	47	15	62

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.

2/ Others include companies engaged in insurance, construction, farming, finance, credit, real estate, transportation, communication, electric, gas, sanitary services and holding companies.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001406

Table 5

Number of Mergers and Acquisitions
Completed and Pending, made by
Manufacturing and Mining Companies,
by Industry of Acquiring Companies, 1978

Major Industry Group of Acquiring Company 1/	Completed	Pending	Total
Total	675	116	791
Manufacturing	630	107	737
Food and Kindred Products	76	12	88
Tobacco Manufactures	4	1	5
Textile Mill Products	15	4	19
Apparel	15	2	17
Lumber Products, Except Furniture	9	2	11
Furniture and Fixtures	7	0	7
Paper and Allied Products	20	3	23
Printing and Publishing	39	6	45
Chemicals	68	14	82
Petroleum	3	2	5
Rubber and Plastics	14	2	16
Leather Products	2	0	2
Stone, Clay, Glass and Concrete	14	2	16
Primary Metals	28	2	30
Fabricated Metal Products	47	12	59
Nonelectrical Machinery	84	13	97
Electrical Machinery	78	14	92
Transportation Equipment	46	5	51
Instruments and Related Products	38	8	46
Miscellaneous	23	3	26
Mining	45	9	54

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001407

Table 6

Number of Mergers and Acquisitions Completed and Pending, made by Manufacturing and Mining Companies, by Industry of Acquired Companies, 1978

Major Industry Group of Acquired Company 1/	Completed	Pending	Total
Total	675	116	791
Manufacturing	364	50	414
Food and Kindred Products	44	3	47
Tobacco Manufactures	0	0	0
Textile Mill Products	3	2	5
Apparel	7	2	9
Lumber Products, Except Furniture	4	1	5
Furniture and Fixtures	2	0	2
Paper and Allied Products	13	3	16
Printing and Publishing	27	4	31
Chemicals	29	5	34
Petroleum	2	0	2
Rubber and Plastics	19	2	21
Leather Products	1	1	2
Stone, Clay, Glass and Concrete	6	0	6
Primary Metals	14	0	14
Fabricated Metal Products	32	3	35
Nonelectrical Machinery	53	8	61
Electrical Machinery	48	7	55
Transportation Equipment	19	3	22
Instruments and Related Products	28	5	33
Miscellaneous	13	1	14
Mining	25	9	34
Trade, Wholesale and Retail	58	14	72
Services and Others 2/	43	8	51
Unknown	185	35	220

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.

2/ Others include companies engaged in insurance, construction, farming, finance, credit (other than banks), and holding companies.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001408

TABLE 7 - MATRIX OF MERGERS AND ACQUISITIONS COMPLETED AND PENDING, BY INDUSTRY OF ACQUIRED AND ACQUIRING COMPANIES, 1978

MAJOR INDUSTRY GROUP OF ACQUIRING COMPANY	MAJOR INDUSTRY GROUP OF ACQUIRED COMPANY																					Total Mfg & Mining 10-39	50-59	01-09 15-18 40-49 60-90	Un-known	Total
	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	10-14					
20 - FOOD AND KINDRED PRODUCTS	35/2		0/1	0/1	1/0		1/0		3/0		1/0	0/1	1/0	1/0		3/0	0/1				0/1	46/7	12/2	2/0	16/3	76/12
21 - TOBACCO MANUFACTURES	4/1																					4/1				4/1
22 - TEXTILE MILL PRODUCTS	1/0		2/0	0/1			1/1		1/0		1/1				1/0	1/0						8/3	1/0		6/1	15/4
23 - APPAREL				3/0		1/0			1/0													5/0	1/0	2/1	7/1	15/2
24 - LUMBER PRODUCTS EXCEPT FURNITURE					1/0		1/0	0/1							1/0	1/0		1/0				5/1	1/1	1/0	2/0	9/2
25 - FURNITURE AND FIXTURES	1/0													1/0								2/0	1/0		4/0	7/0
26 - PAPER AND ALLIED PRODUCTS			0/1				2/0				0/1				1/0	1/0	1/0		1/0			6/2	3/1	1/0	10/0	20/3
27 - PRINTING AND PUBLISHING							3/0	24/3														27/3		5/0	7/3	39/6
28 - CHEMICALS	2/0			1/0					19/5	1/0		1/0	1/0	1/0		3/2	1/0		4/1	1/0	2/0	37/8	8/0	3/1	20/5	68/14
29 - PETROLEUM	1/0																				0/1	1/1		2/0	0/1	3/2
30 - RUBBER AND PLASTICS							1/2				5/0					1/0				1/0		8/2			6/0	14/2
31 - LEATHER PRODUCTS				1/0																		1/0	1/0			2/0
32 - STONE, CLAY, GLASS AND CONCRETE			1/0				1/0				1/0		3/0		1/1	1/0	1/0			2/0	1/1	12/2			2/0	14/2
33 - PRIMARY METALS			1/0						1/0		2/0			5/0	3/1	3/0	1/0	2/0				18/1	2/1		8/0	28/2
34 - FABRICATED METAL PRODUCTS				1/0	1/1		1/0		2/0		2/0			2/0	11/0	3/4	2/0	1/0	1/0			27/5	5/1	4/4	11/2	47/12
35 - NONELECTRICAL MACHINERY	1/0			1/0	1/0		1/0	2/0	1/0					1/0	4/0	24/1	8/3	2/0	2/0		3/3	51/7	3/0	7/1	23/5	84/13
36 - ELECTRICAL MACHINERY							1/0				1/0		1/0	2/0	3/0	4/1	21/3	1/1	10/1	2/0	1/1	47/7	7/3	3/0	21/4	78/14
37 - TRANSPORTATION EQUIPMENT	1/0										2/0			1/0	3/0	2/0	6/0	11/2	3/0	1/0		30/2	4/0	3/0	9/3	46/5
38 - INSTRUMENTS AND RELATED PRODUCTS									2/0						2/0	4/0	5/0		6/3	2/0		21/3	1/1	3/1	13/3	38/8
39 - MISCELLANEOUS								1/0			1/0				1/1	2/0	2/0	1/0	1/0	4/1		13/2	3/0	4/0	3/1	23/3
10-14 - MINING											1/0				1/0						19/2	21/2	5/4	3/0	16/3	45/9
10-39 - TOTAL MFG AND MINING	46/3		4/2	7/2	4/1	1/0	13/3	27/4	30/5	1/0	17/2	1/1	6/0	14/0	32/3	53/8	48/7	19/3	28/5	13/1	26/9	390/59	58/14	43/8	184/35	675/116
50-59 - WHOLESALE AND RETAIL TRADE	3/0														2/0	2/0		2/0			2/0	11/0	56/7	8/1	33/6	108/14
01-09; 15-18; 40-49; 60-90; SERVICES AND OTHER	10/1		2/1	3/0	2/0	2/0		8/1	3/0	2/0	1/1	1/0	3/2	2/0	6/1	7/0	4/3	3/0	1/1	2/0	7/3	69/14	35/9	90/34	120/31	314/88
UNKNOWN	5/2		3/2	2/1			2/1	2/0	8/0		3/2	2/0	3/0	1/1	4/0	4/1	5/0	1/1	1/2		1/2	47/15	5/3	18/3	78/19	148/40
TOTAL	64/6		9/5	12/3	6/1	3/0	15/4	37/5	41/5	3/0	21/5	4/1	12/2	17/1	44/4	66/9	57/10	25/4	30/8	15/1	36/14	517/88	154/33	159/46	415/91	1245/258

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001409

Table 8

Number of Mergers and Acquisitions Completed and Pending, by Asset Size of Acquired Companies, 1978

Asset Size Class of Acquired Company ($ Millions)	Completed	Pending	Total
	A. Number		
Total	1,245	258	1,503
$100.0 and over	59	8	67
$50.0 to $99.9	46	8	54
$10.0 to $49.9	157	29	186
$1.0 to $9.9	116	19	135
Under $1.0 and unknown	867	194	1,061
	B. Percent*		
Total	100.0	100.0	100.0
$100.0 and over	4.7	3.1	4.5
$50.0 to $99.9	3.7	3.1	3.6
$10.0 to $49.9	12.6	11.2	12.4
$1.0 to $9.9	9.3	7.4	9.0
Under $1.0 and unknown	69.6	75.2	70.6

* Sums may not always add due to rounding.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001410

Table 9

Number of Mergers and Acquisitions Completed and Pending, by Asset Size of Acquiring Companies, 1978

Asset Size Class of Acquiring Company ($ Millions)	Completed	Pending	Total
	A. Number		
Total	1,245	258	1,503
$100.0 and over	657	117	774
$50.0 to $99.9	144	21	165
$10.0 to $49.9	206	40	246
$1.0 to $9.9	43	7	50
Under $1.0 and unknown	195	73	268
	B. Percent*		
Total	100.0	100.0	100.0
$100.0 and over	52.8	45.4	51.5
$50.0 to $99.9	11.6	8.1	11.0
$10.0 to $49.9	16.6	15.5	16.4
$1.0 to $9.9	3.5	2.7	3.3
Under $1.0 and unknown	15.7	28.3	17.8

* Sums may not always add due to rounding.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001411

Table 10

Number of Mergers and Acquisitions
Completed by Year, 1972-1978

Year	Completed Acquisitions 1/
1972	2,839
1973	2,359
1974	1,474
1975	1,047
1976	1,171
1977	1,183
1978	1,245

1/ Figures are subject to revision.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001412

TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3356	STERNDENT CORP		1	1	A COMPANY	06/78
2844	COLGATE-PALMOLIVE CO	2352	1	1	A J D CAP CO	05/78
	FOURCO GLASS CO	3211	1	1	A S G INDS INC	06/78
2048	RALSTON PURINA CO		1	1	A-BASIN INC	01/78
3851	R H MEDICAL SVCS INC		1	1	A-PRN INC	10/78
7812	MEDCOM INC		1	1	A-V SCIENTIFIC AIDS INC	06/78
2819	GRACE W R & CO	3533	1	1	A-1 BIT & TOOL CO	11/78
/	GREEN CROSS CORP	2834	3	1	ABBOTT LABS/ABBOTT SCIENTIFIC	08/78
2834	COOPER LABORATORIES		3	1	ABBOTT LABS/LENSINE PRODS LINE	11/78
5099	LIEBERMAN ENTERPRISES	5099	4	1	ABC RECORD & TAPE/RACK-JOB DIV	06/78
6711	I C INDS INC	3714	2	1	ACME AIR APPLIANCE CO	03/78
3452	ELCO INDS INC	3452	1	1	ACME RIVET & MACHINE CORP	11/78
2834	SMITHKLINE CORP		1	1	ACOUSTIC EMISSION TECHNOLOGY	/78
4811	CENTRAL TELE & UTILITI	2542	1	1	ACOUSTICS DEVELOPMENT CORP	09/78
5051	WHITTAKER CORP		1	1	ACRODYNE INDS	/78
2328	WORK WEAR CORP INC	2311	1	1	ACTION-LINE INC	05/78
3829	SIMMONDS PRECISION PRO	3693	1	1	ACUITY SYSTEMS INC	09/78
2515	LEGGETT & PLATT INC	3315	1	1	ADCOM METALS CO INC	01/78
	JERSEY INTL INC		2	1	ADMIRAL INSURANCE CO	10/78
2434	IMPERIAL IND INC	5039	1	1	ADOBE BUILDING CENTERS INC	09/78
3662	BARNES ENGINEERING CO	5085	1	1	ADVANCE BEARING & SUPPLY CO	01/78
2711	PANAX CORP	2711	1	1	ADVISOR (THE)	01/78
/	WAYCOM HOLDINGS LTD		3	1	AEROTRON/TRANSISTOR DIV	05/78
3612	RTE CORP	2641	1	1	AEROVOX INDS INC	10/78

AR_001413

TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
1311	ENERGY RESOURCES CORP		1	1	AIKMAN OIL CORP	12/78
1542	DONOVAN COS INC		1	1	AIR COMFORT L P GAS SERVICE	10/78
5086	PURITAN-BENNETT CORP	3841	3	1	AIR PRODS & CHEMS/FOREGGER MED	11/78
3041	FABRICATED PLASTICS	3079	3	1	AIR PRODS& CHEM/FABRCTD PLASTI	03/78
/	BOC INTERNATIONAL LTD	2813	1	1	AIRCO INC	05/78
3829	AMETEK INC	3451	1	1	AIRTROL CORP	06/78
/	SWISS INDUS ABRASIVES		3	1	AKZONA/COATED ABRASIVES & PROD	07/78
3629	ACME ELECTRIC CORP		1	1	ALAN S WEINBERG MFG INC	02/78
4469	UTG INC	7379	1	1	ALANTHUS CORP	08/78
7311	FOOTE CONE & BELDING	7311	1	1	ALBERT FRANK-GUENTHER LAW	01/78
6411	ALEXANDER & ALEXANDER	6411	1	1	ALBERT G RUBEN & CO	06/78
6211	BACHE GROUP INC		1	1	ALBERT M BENDER CO	01/78
3143	INTERCO INC	5621	1	1	ALBERTS INC	07/78
202/	NESTLE SA	2834	1	1	ALCON LABORATORIES INC	01/78
2099	STANDARD BRANDS INC		1	1	ALL BRAND IMPORTERS INC	11/78
6311	WESTERN STATES LIFE IN		1	1	ALLIANCE LIFE INS CO	11/78
3561	COMMERCIAL SHEARING	5051	1	1	ALLIED METALS CO	05/78
5311	ELDER-BEERMAN STORES	5311	3	1	ALLIED STORES/CINCINNATI STORE	07/78
3212	INTERPACE CORP	3433	1	1	ALLIED THERMAL CORP	01/78
3479	SIERRACIN CORP	3679	1	1	ALPHA POWER INC	11/78
1311	ENERGY RESOURCES CORP		2	1	ALTA LOMA OIL CO	12/78
	ECONOLITE CONTROL PROD	3662	3	1	ALTEC CORP/ECONOLITE	01/78
3825	BECKMAN INSTRUMENTS	3999	1	1	ALTEX SCIENTIFIC INC	08/78
/	CEMENT-ROADSTONE HOLDG	3272	2	1	AMCOR INC	11/78

AR_001414

TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
6022	INDUSTRIAL VALLEY NATL	6153	2	1	AMER ACCEPTANCE CO	12/78
5531	GAMBLE-SKOGMO INC		2	1	AMER ACCIDENT & HEALTH INS CO	11/78
3523	ALLIS-CHALMERS CORP	3564	1	1	AMER AIR FILTER CO	10/78
6145	GENERAL RESOURCES CORP	6711	1	1	AMER CENTENNIAL CORP	/78
6711	I C I AMERICAS INC	2865	1	1	AMER COLOR & CHEMICAL CORP	12/78
6711	I C H CORP		1	1	AMER COMMONWEALTH FINANCIAL	03/78
	AMER PIONEER CORP	6311	2	1	AMER DIVER LIFE INS CO	01/78
7261	I F S INDS INC	7261	1	1	AMER FUNERAL HOMES INC	02/78
1521	DEVELOP CORP OF AMER	2257	1	1	AMER SOUTHERN TEXTILES CORP	06/78
3479	CHROMALLOY AMER CORP	6331	1	1	AMER UNIVERSAL INSURANCE CO	03/78
671/	GENSTAR LTD		1	1	AMERICAL INSTRUMENT CORP	/78
2331	PALM BEACH INC		1	1	AMERICAN BAZAAR INC	/78
6711	RYAN INS GROUP INC		2	1	AMERICAN BENEFIT CORP	04/78
2844	REVLON INC	8071	1	1	AMERICAN BIOMEDICAL CORP	06/78
6711	SECURITY PACIFIC CORP	6711	1	1	AMERICAN FINANCE SYSTEMS INC	12/78
6711	HILLENBRAND INDS INC	3161	1	1	AMERICAN LUGGAGE WORKS INC	05/78
806X	HUMANA INC		1	1	AMERICAN MEDICORP INC	02/78
3566	MARMON (G L CORP)	2399	1	1	AMERICAN SAFETY EQUIPMENT CORP	08/78
3721	GENERAL DYNAMICS CORP	3661	1	1	AMERICAN TELECOMMUNICATIONS	12/78
6722	LORD ABBETT INCOME FND	6723	1	1	AMERICAN UTILITY SHARES INC	07/78
	ARL INC	367X	3	1	AMF INC/ELECTRONICS DIV	/78
3011	AEGIS CORP	3949	4	1	AMF VOIT/THREAD RUBBER OPERAT	09/78
5311	MARSHALL FIELD & CO	5311	3	1	AMFAC INC/5 LIBERTY HOUSE	04/78
	P C INC	3443	3	1	AMICOR/HEATER & WATER BOILER	09/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
7392	LOUIS BERKMAN (THE) CO	3316	1	1	AMPCO-PITTSBURGH	/78
3652	G R T CORP	3699	1	1	AMPRO DESIGN PRODUCTIONS INC	01/78
3561	COMMERCIAL SHEARING	3728	1	1	AMPRO FLUID POWER INC	05/78
3662	RAYTHEON CO	3693	1	1	AMRAD INC	03/78
394/	LESNEY PRODUCTS & CO	3944	1	1	AMT CORP	08/78
344/	DOMINION BRIDGE CO	3321	1	1	AMTEL INC	01/78
3822	FOXBORO CO		4	1	ANACON/GAS CHROMATOGRAPHY	09/78
3822	FOXBORO CO	2841	2	1	ANALABS CO	02/78
2819	CHESSCO INDS INC	2842	1	1	ANCHOR CHEMICAL CO	08/78
	CAPITAL RESEARCH & MAN		2	1	ANCHOR CORP	07/78
3079	VOPLEX CORP	3079	1	1	ANCHOR PLASTICS CO INC	08/78
3694	CHAMPION SPARK-PLUG CO	3714	1	1	ANDERSON CO	05/78
7213	G & K SERVICES INC		3	1	ANGELICA/INDUSTL RENTAL CLOTH	01/78
	VCM GROUP INC		1	1	AQUARIUM PUMP SUPPLY INC	04/78
6331	ALLENDALE MUTUAL INS	6331	1	1	ARKWRIGHT-BOSTON MNFRS MUTUAL	12/78
2641	MINNESOTA MINING & MFG	3851	1	1	ARMORLITE INC	08/78
2041	GENERAL MILLS INC	2013	1	1	AROMA TASTE INC	06/78
6711	GULF & WESTERN INDS		1	1	ARROW LIFE ASSURANCE CO	04/78
7311	BBDO INTERNATIONAL INC	7311	1	1	ARTHUR MEYERHOFF ASSOCIATES	/78
7395	DREWRY PHOTOCOLOR CORP	7395	1	1	ARTZ PHOTO INC	03/78
289/	SCHERING A G		3	1	ASHLAND CHEMICAL/CHEM PRODS DV	12/78
3724	TEXTRON INC		3	1	ASHLAND OIL/COATING RESIN BUS	12/78
7813	20TH CENTURY FOX FILM	5812	1	1	ASPEN SKIING CORP	07/78
/	INFORMATIE ON COMMUNIC	2721	2	1	ASPEN SYSTEMS CORP	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3612	KUHLMAN CORP	3612	1	1	ASSOCIATED ENGINEERING CO	09/78
7399	DATA-DESIGN LABS INC	3679	3	1	ASTRODATA INC/PRINTED CIRCUITS	03/78
4953	CHEM-NUCLEAR SYSTEMS		2	1	ATCOR INC	08/78
4582	FLIGHTSAFETY INTL	3662	1	1	ATKINS & MERRILL TRAINING EQUP	10/78
6711	TRANS UNION CORP	3452	1	1	ATLAS BOLT & SCREW CO	04/78
3351	BUNDY CORP		3	1	ATLAS CORP/TITEFLEX	06/78
1311	SUN CO INC	5072	1	1	ATLAS SCREW & SPECIALTY CO	03/78
3494	XOMOX CORP	3494	2	1	ATWOOD & MORRILL CO	03/78
394/	DUNBEE-COMBEX-MARX LTD	3944	2	1	AURORA PRODUCTS CORP	04/78
1311	SUPERIOR OIL CO INC	1382	1	1	AUSTRAL OIL CO	04/78
5411	CIRCLE K CORP		1	1	AUTOMATIC GASOLINE SYSTEMS INC	08/78
	ALTUS ELECTRONIC CORP	3651	3	1	AUTOMATIC RADIO/DOMESTIC RADIO	08/78
5172	SIGMOR CORP	5541	1	1	AUTOMATIC SYSTEMS INC	05/78
3351	GENERAL CABLE CORP	3079	1	1	AUTOMATION INDS INC	05/78
3312	ARMCO INC	3622	1	1	AUTOMETRICS CO	09/78
7374	TYMSHARE INC		1	1	AUTOTAX	05/78
6711	TIGER INTL	5088	2	1	AVIQUIPO	06/78
2075	ANDERSON CLAYTON & CO	2026	2	1	AVOSET FOOD CORP	10/78
	SIMMONS W R & ASSOC RE		2	1	AXIOM	07/78
101/	CONSOLTD GOLD FIELDS	5051	1	1	AZCON CORP	02/78
3411	STANDARD CONTAINER CO	3751	1	1	B & S PLASTICS INC	08/78
3636	REECE CORP		3	1	B M T MFG/GARMET BAGGING SYSTE	03/78
1542	TURNER CONSTRUCTION CO	1522	1	1	B-F-W CONSTRUCTION CO	07/78
6411	ALEXANDER & ALEXANDER		1	1	B-K CORP	09/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
1629	MCDERMOTT RAY J & CO	3443	1	1	BABCOCK & WILCOX	03/78
1711	WALLACE (SAM P) CO	1711	1	1	BABST SERVICES INC	01/78
3693	GILFORD INSTRUMENT LAB		3	1	BAIRD/OPTICAL INTERFENCE FILTE	10/78
2591	NEWELL COS INC		1	1	BAKER BRUSH CO	12/78
3585	BORG-WARNER CORP	7393	1	1	BAKER INDS INC	01/78
3443	MARLEY CO		1	1	BAKERSFIELD PUMP CO	03/78
	CHARDON RUBBER CO	3069	3	1	BALL CORP/RUBBER	09/78
3822	FOXBORO CO	3811	1	1	BALSBAUGH INC	04/78
3841	STANDEX INTL CORP	3589	1	1	BARBECUE KINGS INC	05/78
2819	PENNWALT CORP	28XX	1	1	BARNEBEY-CHENEY INC	07/78
3944	LEISURE DYNAMICS INC	2731	1	1	BARNES A S & CO	11/78
3545	GIDDINGS & LEWIS INC	3679	2	1	BASIC ELECTRONICS MFG CORP	09/78
	EASTERN SHORES FOOD	2016	1	1	BASIC FOOD INDS INC	11/78
2844	CHESEBROUGH-PONDS INC	3143	1	1	BASS G H & CO	07/78
3325	MIDLAND-ROSS CORP	3321	1	1	BAY CITY FOUNDRY CO	01/78
3728	KAMAN CORP	5085	1	1	BAYSHORE SERVICE & SUPPLY INC	06/78
739/	JOHN LABATT LTD	2084	1	1	BEAR MOUNTAIN WINERY	06/78
3728	KAMAN CORP	5013	1	1	BEARING HOUSE OF SANTA MARIA	06/78
3728	KAMAN CORP	5085	1	1	BEARING SERVICE & SUPPLY INC	06/78
5013	GENUINE PARTS CO	5085	1	1	BEARING SPECIALTY CO	06/78
3433	COMBUSTION ENGINEERING	3462	1	1	BEAUMONT WELL WORKS CO	10/78
1542	ZAPATA CORP	5025	1	1	BEBE COAL CORP	05/78
2095	CHOCK FULL ONUTS	5812	1	1	BEEF CORRAL INC	10/78
1542	TURNER CONSTRUCTION CO	1521	1	1	BELCO CONSTRUCTION INC	07/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3489	TRANSTECHNOLOGY CORP	3811	1	1	BELFORT INSTRUMENT CO	09/78
1311	PATRICK PETROLEUM CO	1211	1	1	BELIBE COAL CORP	03/78
2026	DEAN FOODS CO	2026	1	1	BELL DAIRY PRODS INC	07/78
1382	VANDERBILT ENERGY CORP	1381	1	1	BELL WESTERN CORP	10/78
3429	SCOVILL MFG CO		2	1	BELLOWS INTERNATIONAL	03/78
3999	STANDUN INC	3541	1	1	BENCHMASTER MFG CO	04/78
7372	COAP SYSTEMS INC		3	1	BENETAX INC/INCOME TAX RETURN	09/78
6411	CORROON & BLACK CORP		1	1	BENNETT & EDWARDS AGENCY	11/78
3634	SUNBEAM CORP	3496	1	1	BENNETT IRELAND INC	02/78
5331	FAYS DRUG CO INC	5912	1	1	BERKELEY DRUG STORES	08/78
3728	PARKER-HANNIFIN CORP	3728	1	1	BERTEA CORP	06/78
2046	AMER MAIZE PRODS CO		3	1	BERWIND/BUCHANAN BLDG SUPPLY	01/78
2241	CHELSEA INDS INC	2643	1	1	BES-PAK & CO INC	10/78
2631	SIMKINS INDS INC		2	1	BEVERIDGE PAPER CO	06/78
	KASS-BARNETT LTD	5621	2	1	BEYDA STORES	07/78
3691	GOULD INC	3811	1	1	BIO-MATION CORP	02/78
3564	RESEARCH-COTTRELL INC		1	1	BIPHASE ENGINES INC	/78
2641	MINNESOTA MINING & MFG		1	1	BIRD CORP	01/78
2515	SIMMONS CO	2514	1	1	BIRMINGHAM ORNAMENTAL IRON CO	02/78
2711	LEE ENTERPRISES INC	2711	1	1	BISMARCK TRIBUNE CO	07/78
2023	PET INC	3567	1	1	BLACK BODY CORP	06/78
1311	PATRICK PETROLEUM CO	1211	1	1	BLACK NUGGET COAL CO	03/78
1094	TOLUCO INC		1	1	BLACKBURN DRILLING CO	10/78
6311	CRUM & FORSTER		1	1	BLADES J H & CO	09/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2819	STAUFFER CHEMICAL CO	0115	1	1	BLANEY FARMS INC	/78
2328	WILLIAMSON-DICKE MFG	7214	1	1	BLESSINGS CORP	07/78
2821	BRO-RAD LABORATORIES	3832	1	1	BLOCK ENGINEERING INC	06/78
2844	REVLON INC		1	1	BLOOD ALLIANCE INC	11/78
3721	BOEING (THE) CO	7372	1	1	BOEING COMPUTER SERVICES	01/78
/	SWIRE PACIFIC LTD		1	1	BONNEVILLE CANNING CO	01/78
2711	DOW JONES & CO	2721	1	1	BOOK DIGEST CO INC	08/78
7391	FLOW GENERAL INC		3	1	BOWER INDS/ENVIRONMENTAL GROUP	01/78
7311	DOREMUS & CO	7311	1	1	BOYLHART LOVETT & DEAN INC	05/78
1311	STANDARD OIL CO (OHIO)		2	1	BP ALASKA INC	01/78
6711	INTERMARK INC		2	1	BRADSTON HURRICANE INTL	06/78
3724	CURTISS-WRIGHT CORP		1	1	BRC-COM SERVICES INC	08/78
2048	RALSTON PURINA CO		1	1	BREMNER BISCUIT CO	01/78
4953	BROWNING-FERRIS INDS	6711	1	1	BRENNER INDS INC	08/78
3999	WALTER KIDDE & CO	3692	1	1	BRIGHT STAR IND	/78
1311	NATOMAS CO		1	1	BROWN BADGETT INC	03/78
3843	SYBRON CORP	8072	1	1	BROWN DENTAL LABORATORY INC	03/78
3533	HUGHES TOOL CO	3533	1	1	BROWN OIL TOOLS INC	09/78
	P V M CO	7033	1	1	BRYN MAWR CAMP RESORTS INC	/78
6162	SOUTHERN TRUST & MTGE		2	1	BUCKEYE MORTGAGE CO	/78
5411	SEA WAY FOOD TOWN INC	5023	1	1	BUCKEYE SPECIALTIES CO	01/78
0179	CASTLE & COOKE INC	0161	1	1	BUD ANTLE INC	02/78
506/	THYSSEN AG	3465	1	1	BUDD CO (THE)	04/78
	CHELSEA INSTRUMENTS	3873	3	1	BUNKER RAMO/CHEBSEA CLOCK OPER	07/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
/	AGA AB	2813	1	1	BURDOX INC	01/78
6221	RIVERSIDE FOODS LTD	2013	1	1	BURING FOOD GROUP INC	10/78
1311	CONSOLIDATED OIL & GAS	1381	1	1	BURNS R L CORP	07/78
7374	COMPUTERIZED AUTOMOTIV	5081	1	1	BUSINESS COMMUNICATION SCIENCE	12/78
7311	FOOTE CONE & BELDING		1	1	BYOIR & ASSOCIATES	07/78
1542	DONOVAN COS INC		1	1	C & P COAL CO	11/78
2711	HARTE-HANKS COMMUNCATI		1	1	C B A CALIFORNIA INC	12/78
3662	CUBIC CORP	3662	1	1	C I R INDS	08/78
3357	BELDEN CORP	3357	1	1	CABLE CONCEPTS CORP	10/78
6411	CORROON & BLACK CORP		1	1	CAINE & ESTES INS AGENCY	08/78
2821	DOW CORNING CORP	3851	1	1	CALCON LABORATORIES INC	01/78
4811	UNITED TELECOMMUNICATI	3573	1	1	CALMA CO	09/78
3714	ARVIN INDS INC	3999	2	1	CALSPAN CORP	04/78
	BOWERS INC	2394	1	1	CAMEL MANUFACTURING CO	05/78
3647	STUDEBAKER-WORTHINGTON	3496	1	1	CAMPBELL CHAIN CO	05/78
	MCKEE CORP		1	1	CAMPBELL DEBOE & ASSOCIATES	03/78
3479	CHROMALLOY AMER CORP	2339	1	1	CAMPUS CASUALS OF CALIF	06/78
2641	MINNESOTA MINING & MFG		1	1	CANOGA CONTROLS CORP	/78
3711	A-T-O INC	3842	1	1	CAPTECH INC	10/78
2834	ELI LILLY & CO	3693	1	1	CARDIAC PACEMAKERS INC	12/78
3693	MEDTRONIC INC		1	1	CARDIOCARE TESTING CORP	11/78
2048	CENTRAL SOYA CO INC	2099	1	1	CARIBE FOOD PRODUCTS INC	/78
6411	MARSH & MCLENNAN COS		1	1	CARLIN BLACK CO	04/78
0181	AMER GARDEN PRODS INC		1	1	CAROLINA FLORAL NURSERY CO	11/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
6711	CITICORP	6153	2	1	CARTE BLANCHE CORP	09/78
2037	UNITED FOODS INC	2033	1	1	CASCADE FROZEN FOODS INC	03/78
	HARTMAN & TYNER INC	7948	1	1	CASTLETON INDS INC	/78
5311	GARFINCKEL BROOKS BROS	5621	1	1	CATHERINES STOUT SHOPPE INC	01/78
6711	VETCO INC		2	1	CEI INC	05/78
6711	GENERAL OHIO S & L		1	1	CENTRAL SAVINGS & LOAN	03/78
1311	WORLDWIDE ENERGY CORP		1	1	CENTRAL STATES GAS CO	11/78
3679	BELL INDS	5065	1	1	CENTURY ELECTRONICS INC	01/78
6794	CENTURY 21 REAL ESTATE		1	1	CENTURY 21 OF LA INC	11/78
6794	CENTURY 21 REAL ESTATE		1	1	CENTURY 21 OF MISSOURI INC	02/78
6794	CENTURY 21 REAL ESTATE		1	1	CENTURY 21 OF TEXAS INC	11/78
325/	KYOTO CERAMIC CO LTD	3699	2	1	CERADYNE INC	10/78
2431	OVERHEAD DOOR CORP	2435	3	1	CHAMPION INTL/ENGINEERED PRODS	/78
	TMC INDS LTD		3	1	CHAMPION INTL/TREND CARPET DIV	03/78
2631	STONE CONTAINER CORP	2653	1	1	CHARTER OAK CONTAINER CORP	01/78
5161	MOORE & MUNGER INC	5172	1	1	CHAS J WOOD PETROLEUM CO	05/78
3251	GENERAL SHALE PRODUCTS	2251	1	1	CHATTAHOOCHEE BRICK CO	08/78
2011	CONSOLIDATED FOODS	2038	1	1	CHEF PIERRE INC	05/78
	BOREHEAD CORP		2	1	CHEM-FAB CORP	04/78
3211	P P G INDS INC		4	1	CHEMETRON/CHEMICAL PRODS DIV	12/78
	DYNA QUIP CONTROLS CO	3494	4	1	CHEMETRON/FLUID CONTROLS	02/78
2331	ALBANY INTL CORP	2869	1	1	CHEMICAL SAMPLES CO	05/78
/	THOMASON NEWSPAPERS		1	1	CHEW NEWSPAPER GROUP OF OHIO	05/78
5411	SOUTHLAND CORP		2	1	CHIEF AUTO SUPPLY INC	12/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3589	ENVIROTECH CORP		1	1	CHILDRESS (THE) CORP	03/78
7374	TELEMED CORP		3	1	CHROMALLOY AMERICAN/CRO-MED	05/78
3599	PEABODY INTL CORP	3599	1	1	CHURCHILL PUMPING INC	01/78
1311	DELHI INTL OIL CORP	1381	1	1	CINCO DRILLING CO	06/78
8911	C R S DESIGN ASSOCIATE		2	1	CLARK DIETZ & ASSOCIATES ENGIN	08/78
344/	THOMAS TILLING LTD	3564	1	1	CLARKSON INDS INC	03/78
	NAVIGATION INDS INC		1	1	CLEAN CHANNEL INDS INC	06/78
2328	UNITOZ CO	7213	1	1	CLEAN RENTAL SERVICES INC	07/78
7218	SERVISCO	7218	1	1	CLEAN SERVICES	10/78
5085	COLUMBIA GENERAL CORP	5085	1	1	CLEVELAND TOOL & SUPPLY CO	09/78
3533	TEXAS INTL CO		1	1	CLINCH DRILLING CO	09/78
7395	FOX-STANLEY PHOTO PROD	7395	1	1	CLINE PHOTO INC	11/78
5611	CHASINS INC		3	1	CLUETT PEABODY/SPECIALTY STORE	01/78
1542	DONOVAN COS INC	1211	1	1	COAL JUNCTION COAL CO	11/78
1521	KAUFMAN & BROAD INC	6711	1	1	COASTAL STATES CORP	02/78
	LLOYD-THOMAS CO		1	1	COATS & BURCHARD CO	01/78
2086	COCA-COLA BOTTLNG MIAM	2086	1	1	COCA-COLA BOTTLING CO OF PIKEV	06/78
2086	COCA-COLA BOTTLING N Y	2086	1	1	COCA-COLA BOTTLING ROCKY FORD	04/78
2086	COCA-COLA BOTTLING N Y	2086	1	1	COCA-COLA BOTTLING PLANTS INC	06/78
/	SWIRE PACIFIC LTD	2086	1	1	COCA-COLA BOTTLING OF SALT LKE	01/78
/	SWIRE PACIFIC LTD	2086	1	1	COCA-COLA BOTTLING CO OF PROVO	01/78
6711	GANNETT CO INC	2711	1	1	COFFEYVILLE PUBLISHING CO INC	04/78
3443	AUTOMTD BLDG COMPONENT	3523	1	1	COLE MFG CO	02/78
505/	PECHINEY UGINE KUHLMAN		1	1	COLEMAN JAMES D INC	01/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
6711	CAVENHAM U S A INC	5411	1	1	COLONIAL STORES INC	11/78
411/	GENERALE OCCIDENTALE	5411	3	1	COLONIAL STS/8 BIG STAR SUPERM	06/78
701/	TRUST HOUSES FORTE	5812	1	1	COLONY FOODS INC	06/78
	BERWIND CORP	2899	1	1	COLORCON INC	06/78
4811	CENTRAL TELE & UTILITI	5081	1	1	COMM-QUIP INC	10/78
3079	LIQUI-BOX CORP		1	1	COMMANDER SYSTEMS INC	08/78
2251	ALBA-WALDENSIAN INC		1	1	COMMERCIAL FLOCKING CORP	03/78
6711	FREMONT GENERAL CORP	6552	1	1	COMMONWEALTH FINANCIAL CORP	08/78
3432	MASCO CORP	2641	1	1	COMPAC CORP	11/78
3715	FRUEHAUF CORP	8911	1	1	COMPOSITEK ENGINEERING CORP	/78
671/	MOORE CORP LTD	2752	1	1	COMPUCOLOR INC	09/78
7374	ANALOG DEVICES INC	3573	1	1	COMPUTER LABS INC	11/78
3573	CONTROL DATA CORP	3573	1	1	COMPUTER PERIPHERALS INC	08/78
7374	ANACOMP INC	7374	1	1	COMPUTER SERVICES CORP	08/78
1731	ERNST E C INC	1731	1	1	COMSTOCK L K & CO	06/78
6411	ALEXANDER & ALEXANDER		3	1	CONCORD INS/CERTAIN AGENCIES	10/78
4953	WASTE MANAGEMENT INC		1	1	CONSERVATION SERVICES INC	07/78
3714	BENDIX CORP	3622	1	1	CONTINENTAL CONTROLS CORP	04/78
3011	GOODRICH B F CO	3535	1	1	CONTINENTAL CONVEYOR & EQUIP	07/78
3651	ADVENT CORP	3651	1	1	CONTINENTAL FIDELITY CORP	07/78
6711	N N CORP		1	1	CONTINENTAL WESTERN INDS INC	02/78
6145	DIAL CORP		2	1	CONTL WESTERN ACCEPTANCE CORP	10/78
/	LRC INTL LTD		1	1	COOK H C	12/78
509/	MITSUI & CO LTD	5153	3	1	COOK INDS/GRAIN ASSETS	05/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3351	BUNDY CORP	3079	3	1	COOPER INDS/DANCO	05/78
6711	CAMPBELL TAGGART INC	2062	1	1	COOSA BAKING CO	/78
3581	U M C INDS INC	2436	1	1	COR-TEC INC	05/78
2711	PANAX CORP	2711	2	1	CORAL SPRINGS COURIER	06/78
283/	SYNTEX CORP		1	1	CORNEAL SCIENCES	11/78
	KAYDAK CORP	5311	1	1	CORNWALL EQUITIES LTD	04/78
6411	ALEXANDER & ALEXANDER		1	1	CORPORATE SERVICE INC	12/78
2711	PANAX CORP	2711	1	1	COUNTRY JOURNAL (THE)	01/78
2451	SKYLINE CORP	3792	1	1	COUNTRY VAN CONVERSIONS CORP	08/78
3662	INTL TELEP & TELEGRAGH	3573	1	1	COURIER TERMINAL SYSTEMS	03/78
5182	ALCO STANDARD CORP	6711	1	1	COWAN PAPER GROUP	04/78
1521	RYLAND GROUP INC	1521	1	1	CREST COMMUNITIES INC	06/78
6311	MONARCH CAPITAL CORP		1	1	CT COMM TRAVELERS MUTUAL INS	08/78
2026	BEATRICE FOODS CO	3589	1	1	CULLIGAN INTL CO	06/78
3641	DUAL-LITE INC		1	1	CURTIS-ELECTRO CORP	06/78
	MARK PRODUCTS INC		1	1	CUSTOM CABLE CO	10/78
5086	UNIVERSAL SHELLAC SUP		2	1	CUSTOM OPTICS INC	08/78
3714	EATON CORP	3622	1	1	CUTLER-HAMMER INC	08/78
	TORRANCE TUBING & COND		3	1	CYPRUS MINES/TUBING & CONDUIT	9/78
6399	HARTFORD STEAM BOILER		1	1	D B ASSOCIATES INC	/78
2711	WASHINGTON POST CO	2711	1	1	DAILY HERALD CO	02/78
3069	AMER BILTRITE INC	3079	2	1	DAIRY CAP CORP	08/78
	TAMCO ENTERPRISES	1531	2	1	DALE BELLAMAH CORP	/78
5611	CONTRAN CORP		1	1	DANCO INC	09/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3356	HANDY & HARMON	37XX	2	1	DANIEL RADIATOR CORP	11/78
3662	FARINON CORP	3662	1	1	DARCO INC	03/78
271/	LIVERPOOL DAILY POST &	2711	1	1	DARDANELL ENTERPRISES INC	06/78
6711	MOBIL CORP		3	1	DART INDS/REXENE STYREN	04/78
2378	WORK WEAR CORP INC		3	1	DART INDUSTRIES/DRYLIN DIV	06/78
2721	MCGRAW-HILL INC	7392	1	1	DATA COMMUNICATIONS INC	05/78
6711	GLOSSER BROTHERS	7374	1	1	DATA CONSULTANTS INC	02/78
3573	ANALOGIC CORP	3825	1	1	DATA PRECISION CORP	08/78
2752	REYNOLDS & REYNOLDS CO	7374	1	1	DATA SYSTEMS CORP	07/78
/	NORTHERN TELECOM LTD	3573	1	1	DATA 100 CORP	11/78
7392	NIELSEN (A C) CO		1	1	DATAQUEST INC	07/78
20XX	INGREDIENT TECHNOLOGY	5149	1	1	DAVIS & LAWRENCE CO	10/78
5311	AMES DEPT STORES INC	5023	1	1	DAVIS WHOLESALE CO	01/78
6711	R P M INC	2851	1	1	DEAN & BARRY CO	06/78
3441	BRISTOL STEEL & IRON W	3441	1	1	DEBRON CORP	05/78
6211	NEWBOLDS W H SONS & CO	6211	1	1	DEHAVEN & TOWNSEND CROUTER &	/78
4221	SOUTHWIDE INC		2	1	DELTA & PINE LAND CO OF MS	10/78
7394	ITEL CORP	7379	1	1	DELTA RESOURCES INC	04/78
5722	SILO INC	5732	1	1	DEPENDABLE TV & APPLIANCE CO	02/78
3532	NATL MINE SERVICE CO	3532	1	1	DERON CORP	05/78
7261	I F S INDS INC	7261	1	1	DESERT MORTUARY	08/78
	BURKE SECURITY INC		3	1	DETECTIVE INTELL/UNIFORM GUARD	11/78
	METPATH INC		2	1	DIAGNOSTIC SCIENCES INC	01/78
1211	KANEB SERVICES INC	1381	1	1	DIAMOND M CO	05/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				DATE OF
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	COMPLETION
2082	HEILEMAN G BREWING CO	2051	1	1	DICK BROS BAKERY CO	05/78
3714	DYNEER CORP	3799	1	1	DICO CORP	11/78
3662	MICROWAVE ASSOCIATES	3662	1	1	DIGITAL COMMUNICATIONS CORP	02/78
3825	TERADYNE INC	7374	1	1	DIGITEST CORP	06/78
531/	VROOM & DREESMANN B V	5311	1	1	DILLARD DEPT STORES INC	03/78
2531	BRO-DART INDS	5199	2	1	DIMONDSTEIN BOOK CO INC	12/78
3494	WHITE CONSOLIDATED IND		2	1	DITTO INC	/78
208/	MOLSON COMPANIES LTD	2842	1	1	DIVERSEY CORP	07/78
/	CEMENT-ROAD STONE HOLD		1	1	DIVERSIFIED EARTH SCIENCES INC	10/78
3462	ANADITE INC	3463	1	1	DIVERSIFIED FORGING CORP	06/78
2221	BERKSHIRE HATHAWAY INC	5621	1	1	DIVERSIFIED RETAILING CO INC	12/78
6711	TENNECO INC	2421	1	1	DIXON LUMBER CO	01/78
2591	NEWELL COS INC		1	1	DIXON RED DEVIL LTD	04/78
5084	STEWART & STEVENSON SV	5084	1	1	DOBBS DETROIT DIESEL INC	08/78
2321	CLUETT PEABODY & CO	2361	1	1	DOBIE ORIGINALS INC	11/78
3563	NORDSON CORP	2048	1	1	DOMAIN INDUSTRIES INC	11/78
6211	OPPENHEIMER & CO	2335	1	1	DONNKENNEY INC	12/78
1542	DONOVAN COS INC		1	1	DORAVILLE ENTERPRISES	11/78
3275	NATIONAL GYPSUM CO	3996	1	1	DOWDFLOR CORP	09/78
5084	PETROLANE INC	7394	1	1	DRILLING TOOLS INC	03/78
2819	GRACE W R & CO	3533	1	1	DRILLOGRAPH CO INC	11/78
3652	AMPEX CORP	3662	1	1	DUCA-RICHARDSON CORP	04/78
3011	GOODRICH B F CO		3	1	DUCOMMUN/SUPER TEMP	10/78
5182	ALCO STANDARD CORP	5122	1	1	DUFF BROTHERS INC	03/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				DATE OF
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	COMPLETION
5912	BEGLEY DRUG CO		1	1	DUNCAN DRUG	12/78
2842	CLOROX CO	5099	1	1	DURAFLAME INC	07/78
2893	LAWTER CHEMICALS INC	2893	1	1	DYALL PRODUCTS INC	01/78
209/	UNILEVER LTD (ENGL)	5099	1	1	DYCOL CHEMICALS INC	09/78
/	ESSELTE AB (SWEDEN)	3569	1	1	DYMO INDS INC	07/78
3674	DATARAM CORP		1	1	DYNUS INC	10/78
2295	TEXON INC	3079	2	1	E B & A C WHITING CO	07/78
1382	CENTURY OIL & GAS CORP		1	1	EAGLE EXPLORATION CO	05/78
2621	SCOTT PAPER CO	3645	1	1	EAGLE MFG CO	08/78
1321	MAPCO INC		1	1	EAGLE OIL CO	03/78
2331	PALM BEACH INC		2	1	EAGLE SHIRTMAKERS INC	12/78
3568	INCOM INTL INC	3622	1	1	EANCO INC	11/78
/	BELL CANADA		1	1	EASTERN DATA INDS INC	11/78
5182	ALCO STANDARD CORP		3	1	EATON CORP/DISPENSER DIV	06/78
3573	ROLM CORP		1	1	ECCO-DETROIT INC	12/78
3579	DICTAPHONE CORP	2761	1	1	ECONO-PAK REGISTER CO	07/78
3579	ADDRESSOGRAPH-MULTIGRA	3573	1	1	ECRM INC	12/78
2591	NEWELL COS INC		1	1	EDGECRAFT CORP	12/78
7392	CHILDCRAFT EDUCATION		1	1	EDUCATIONAL CONCEPTS CORP	11/78
2721	MCGRAW-HILL INC		2	1	EDUTRONICS SYSTEMS INTL INC	05/78
1021	KENNECOT COPPER CORP	3079	1	1	ELDON PLASTICS INC	12/78
3069	DAYCO CORP	3041	1	1	ELECTRIC HOSE & RUBBER CO	03/78
3634	MCGRAW-EDISON CO	6711	1	1	ELECTRICAL INDS INC	10/78
3566	RELIANCE ELECTRIC CO	3568	1	1	ELECTRICAL MACHINERY & REPAIR	06/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				DATE OF
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	COMPLETION
/	CANADIAN CORPORATE MAN		2	1	ELECTRO-THERM INC	12/78
/	NIPPON ELECTRIC-TOKYO	3674	1	1	ELECTRONIC ARRAYS INC	12/78
4833	CINEVIDEO INTL CORP		1	1	ELK RIVER RANCH INC	12/78
	B I M EQUITIES INC	2821	1	1	ELLAY RUBBER	05/78
6211	EDWARDS A G & SONS INC	6211	1	1	ELLIS HOLYOKE & CO	09/78
	B I M EQUITIES INC		2	1	ELM COATED FABRICS	05/78
2819	GRACE W R & CO	2821	1	1	EMERSON & CUMING INC	06/78
2819	NATL DISTILLERS & CHEM	2819	1	1	EMERY INDUSTRIES INC	05/78
	AIRWAY PRODUCTS CORP		3	1	EMHART CORP/AIRWAY PRODS DIV	08/78
6311	PROTECTIVE LIFE INS CO	6311	1	1	EMPIRE GENERAL CORP	05/78
2082	HEILEMAN G BREWING CO	2051	1	1	EMRICH BAKING CO	/78
3841	BECTON DICKINSON & CO	3811	1	1	ENERGETICS SCIENCE INC	06/78
3533	BAKER INTL CORP	1799	1	1	ENERGY SERVICES INTL INC	01/78
2834	WARNER-LAMBERT	2051	1	1	ENTENMANNS INC	10/78
3321	CLOW CORP	3589	1	1	ENVIRODISC CORP	03/78
1381	KENAI DRILLING LTD	3494	1	1	EQUIPMENT RENEWAL CO	01/78
7374	ANACOMP INC		1	1	ESCOM INC	09/78
3714	T R W	3662	1	1	ESL INC	06/78
2711	DOW JONES & CO	2711	1	1	ESSEX COUNTY NEWS PAPERS INC	06/78
6711	ESMARK INC		3	1	ESTECH INC/CHICAGO PAIL MFG	06/78
	AMER STEEL CONTAINER		4	1	ESTECH/AMER STEEL CONTAINER	06/78
	AMER STEEL CONTAINER		4	1	ESTECH/CHICAGO PAIL MFG DIV	06/78
2819	GRACE W R & CO	2819	1	1	EVANS CHEMETICS INC	12/78
4811	CONTINENTAL TELE CORP	3662	1	1	EXECUTONE INC	/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3842	JOHNSON & JOHNSON	3999	1	1	EXTRACORPOREAL MEDICAL SPECIAL	05/78
1311	MEGA CORP		1	1	EXTRUSIONS INC	/78
	CHAGRIN VALLEY CO		4	1	EXXON CHEM U S A/NEVAMAR	04/78
	HUNTSMAN-GOODSON CHEMI		3	1	EXXON CORP U S A/BALT HEAT OIL	/78
2099	STANDARD BRANDS INC		2	1	EZRA BROOKS	08/78
	FRED MEYER INC		1	1	F G M REALTY CO	12/78
3444	LEIGH PRODUCTS INC		1	1	F H P MFG CO	04/78
5722	FRIENDLY FROST INC		1	1	FABRI-SEAL AUTOMOTIVE LTD	09/78
3537	HYSTER CO	3531	1	1	FABTEK INC	/78
2121	CULBRO CORP	2099	3	1	FAIRMONT FOODS/POTATO CHIP/COR	02/78
5962	MACKE CO	5812	2	1	FAMILY FISH HOUSE INC	01/78
3792	COACHMEN INDS INC	3792	1	1	FAN COACH CO	05/78
2026	DAIRYMEN INC	2026	2	1	FARMBEST FOODS INC	09/78
3674	FAIRCHILD CAMERA & INS	3825	1	1	FAULTFINDERS	09/78
5311	HECKS INC	5661	1	1	FELSWAY CORP	10/78
3429	WOODSTREAM CORP	6711	1	1	FENWICK CORP	04/78
3362	WISCONSIN CENTRIFUGAL	3714	1	1	FERRO CAST CORP	09/78
2421	LOUISIANA-PACIFIC CORP	2611	1	1	FIBREBOARD CORP	06/78
4925	PANHNDL EASTRN PIPE LN	1381	1	1	FIELD DRILLING CO	04/78
4833	METROMEDIA INC		2	1	FIGIS INC & FIGIS DATA CENTER	10/78
3635	SCOTT & FETZER		1	1	FILTREX CORP	03/78
6711	LIFE INVESTORS INC	6711	1	1	FINANCIAL INDS CORP	12/78
6311	PACIFIC MUTUAL LIFE IN		2	1	FINANCIAL LIFE INS CO	04/78
3448	CRONUS INDS INC	1542	1	1	FIRST COLONY CORP	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3743	PULLMAN INC	6711	1	1	FIRST GREATWEST CORP	05/78
3612	GENERAL ELECTRIC CO	7512	2	1	FIRST LEASE INC	07/78
6321	CITY INVESTING CO		1	1	FIRST SURETY CORP	12/78
2899	SCHERER R P CORP	2834	1	1	FIRST TEXAS PHARMACEUTICALS	07/78
5411	ALBERTSONS INC	5411	3	1	FISHER FOODS INC/SO CALIF DIV	07/78
2515	NACHMAN CORP		1	1	FISHER-HAYNES CORP OF GEORGIA	06/78
	J G S S P INC	5141	3	1	FLAGSTAFF/FOOD SERVICE GRP DIV	12/78
2731	SCOTT FORESMAN & CO	2731	1	1	FLEMING H REVELL CO	03/78
6711	GRUMMAN CORP	3711	2	1	FLEXIBLE CO	01/78
1623	BURNUP & SIMS INC	7833	1	1	FLOYD ENTERPRISES INC	01/78
/	BOW VALLEY INDS LTD	1311	1	1	FLYING DIAMOND OIL CORP	01/78
1311	RESERVE OIL & GAS CO	1382	1	1	FLYNN ENERGY CORP	12/78
5411	MAYFAIR SUPER MARKETS		3	1	FOOD FAIR INC/26 PANTRY PRIDE	07/78
6022	FIDELITY UNION TRUST		3	1	FOOD FAIR STORES/26 SUPRMKTS	07/78
5411	ARDEN-MAYFAIR INC	5411	1	1	FOOD GIANT SUPER MARKETS INC	03/78
5541	CONVENIENT INDS OF AME		1	1	FOOD MERCHANDISERS INC	06/78
2033	HEINZ H J CO	2038	1	1	FOODWAYS NATL INC	02/78
	M K LABORATORIES INC		3	1	FOREMOST-MCKESSON/MCKESS LABS	07/78
3728	EX-CELL-O CORP	3423	1	1	FOREST CITY TOOL CO	12/78
2834	RICHARDSON-MERRELL INC	2842	1	1	FORMBY'S REFINISHING PRODS INC	03/78
6211	BACHE GROUP INC	6211	1	1	FOSTER BROS WEBER & CO	05/78
5099	UDS INC	2499	1	1	FOSTER OAR CO	12/78
/	GALTACO INC	6723	1	1	FOUNDERS OF AMERICAN INVESTMNT	04/78
3694	STANDARD MOTOR PRODS	5013	1	1	FOUR SEASONS COMFORT CONTROLS	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
1521	CENTEX CORP	1541	1	1	FRANK J ROONEY INC	09/78
6711	BLOUNT INC	1629	1	1	FRED J EARLY JR CO	03/78
2821	MIDWEST MFG CO	2821	2	1	FREEMAN CHEMICAL CORP	01/78
2421	EVANS PRODUCTS CO	4742	2	1	FRIT CAR & EQUIPT INC	03/78
3421	GILLETTE CO THE	5961	1	1	FROSTLINE INC	06/78
	B&B TRANSPORTATION INC		2	1	G & C TOWING INC	08/78
6711	I N A CORP	4743	2	1	G A T X UNDERWRITERS AGENCY	03/78
3851	OMEGA OPTICAL CO INC	3851	3	1	G D SEARLE/INTL OPTICAL CO	10/78
3662	TRACOR INC		3	1	G D SEARLE/SEARLE ANALYTIC	09/78
4833	C B S INC	3944	1	1	GABRIEL INDS INC	08/78
5199	FILMWAYS INC		3	1	GABRIEL INDS/PLATT MUNK BOOKS	03/78
2751	WILLIAMHOUSE-REGENCY	2642	1	1	GARDEN CITY ENVELOPE CO	12/78
6711	GIFFEN INDS INC	5812	1	1	GATTIS INC (MR)	05/78
3621	NORTH AMER PHILIPS	3612	3	1	GEN ELEC/ELEC CAP IRMO S CIT	01/78
2431	OVERHEAD DOOR CORP	3442	1	1	GENERAL ALUMINUM CORP	12/78
/	SOCIETE INTL PIRELLI		3	1	GENERAL CABLE/POWER CABLE OPER	03/78
3573	TELEX CORP	3573	1	1	GENERAL COMPUTER SYSTEMS INC	04/78
/	CADILLAC FAIRVIEW CORP	1531	1	1	GENERAL HOMES CONSOLIDATED COS	08/78
3442	CROWN INDS INC	3499	1	1	GENERAL METALS INC	05/78
6321	UTICA MUTUAL INS CO	6331	2	1	GENERAL REINSURANCE LIFE CORP	01/78
	GENERAL SWITCH CORP		2	1	GENERAL SWITCH CO	07/78
3531	PENGO INDS INC		1	1	GENERAL TEXAS CORP	/78
2241	COURTLAND MFG CO		3	1	GENESCO INC/APPOMATTOX GARMENT	01/78
	MAYFAIR INDUSTRIES INC	2311	3	1	GENESCO INC/MAYFAIR SPORTSWEAR	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
5611	TATE-BROWN STORES CHAR		3	1	GENESCO INC/TATE-BROWN DIV	07/78
2051	INTERSTATE BRANDS CORP	20XX	3	1	GENL HOST/EDDY BAKERIES	05/78
1382	GEOSOURCE INC	5084	1	1	GEOLOGRAPH/MEDEARIS GROUP	10/78
6411	ROLLINS BURDICK HUNTER		1	1	GEORGE V KANE & CO	04/78
5084	PETROLANE INC	5531	1	1	GERARD TIRE CO	12/78
	MILLER B INC		2	1	GIDDING-JENNY	07/78
2819	GRACE W R & CO	5812	1	1	GILBERT/ROBINSON INC	11/78
3662	RAYTHEON CO	3631	1	1	GLENWOOD RANGE CO	04/78
3728	SUNDSTRAND CORP	3811	1	1	GLOBAL NAVIGATION INC	10/78
3495	BARNES GROUP INC	5013	1	1	GLOBE INDS INC	03/78
3822	JOHNSON CONTROLS INC	3691	1	1	GLOBE UNION	10/78
7261	I F S INDS INC	7261	1	1	GOETZ FUNERAL HOME	08/78
2711	NEW YORK TIMES CO	7391	3	1	GOLDMARK COMM/TRANSCAN & ELEC	07/78
3523	VALMONT INDS	3629	1	1	GOOD-ALL ELECTRIC INC	04/78
3842	AMER HOSPITAL SUPPLY	3841	3	1	GORMAN-RUPP/MEDICAL PRODS LINE	05/78
6711	ELCOR CORP	3272	1	1	GORY ASSOCIATED INDS INC	03/78
	ELKHART PRODUCTS CORP		3	1	GOULD INC/PLUMBING PRODS	01/78
3825	ESTERLINE CORP		3	1	GOULD INC/SURFACE FINISH MEASU	09/78
6711	POST CORP	2752	1	1	GOWE PRINTING CO	07/78
5139	KOBACKER STORES INC	2819	3	1	GRACE (W R) & CO/PIX DIV	09/78
2732	DEVON GROUP INC	2752	1	1	GRAFTEK PRESS INC	06/78
3321	HARSCO CORP	3441	1	1	GRAND JUNCTION STEEL FABRICATI	/78
3714	ASPRO INC		1	1	GRANNING SUSPENSIONS INC	06/78
2711	TIMES MIRROR CO	2782	1	1	GRAPHIC CONTROLS CORP	05/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				DATE OF
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	COMPLETION
3573	WANG LABORATORIES	2751	1	1	GRAPHIC SYSTEMS INC	09/78
5141	FLICKINGER S M INC		3	1	GREAT A & P TEA/17 STS S E OHI	04/78
	MIDLAND RESOURCES INC	4111	2	1	GREAT WESTERN RAILWAY CO	07/78
5142	CHESS PANTRY INC		3	1	GREEN GIANT/DONS PRIZE MEATS	10/78
6711	GULF & WESTERN INDS	3999	1	1	GREMLIN INDS INC	10/78
2321	HARWOOD COS INC	2321	1	1	GRENADIER KNITWEAR LTD	03/78
5074	GABLE INDS INC	5084	1	1	GRIMES PIPE & SUPPLY CO	12/78
5599	AMER JET INDS INC	3721	2	1	GRUMMAN AMER AVIATION	09/78
3861	CETEC CORP	3544	1	1	GUARDIAN PLASTIC MOLDED PRODS	02/78
1381	READING & BATES OFFSHO	1311	1	1	GULF COAST PRODUCTION	05/78
1381	SABINE CORP		1	1	GULF MINERALS INC	07/78
5944	ZALE CORP	5912	1	1	GUNNING-CASTEEL INC	09/78
2834	COOPER LABORATORIES	5086	1	1	GYNEMED INC	08/78
6711	I N A CORP		1	1	H M O INTL	12/78
3674	C T S CORP		1	1	HALEX INC	11/78
3312	U S STEEL CORP		3	1	HALL CHEMICAL/FERTILIZER BLEND	05/78
	NU-WEST DEV CORP LTD		1	1	HALLCRAFT HOMES INC	04/78
3999	AMER FILTRONA CORP	3714	3	1	HALLE INDS/UNITED AIR CLEANER	12/78
3999	AMER FILTRONA CORP		3	1	HALLE INDS/UNITED ENGINE LIFE	12/78
5812	COLLINS FOOD INTL INC	5812	1	1	HALROY INC	02/78
283/	CIBA-GEIGY A G	5161	1	1	HAMBLET & HAYES CO	03/78
6711	L M F CORP	5211	1	1	HAMILTON LUMBER CO INC	03/78
3562	FEDERAL-MOGUL CORP	3566	1	1	HANAUER MACHINE WORKS INC	06/78
3842	JOHNSON & JOHNSON		1	1	HANCOCK LABORATORIES INC	12/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
/	CLARK C & J LTD	3143	1	1	HANOVER SHOE INC	01/78
6531	COLDWELL BANKER & CO		1	1	HARDIN STOCKTON	02/78
3841	STANDEX INTL CORP		1	1	HARDING CORP (THE)	06/78
2361	ELKAY INDS INC	2531	2	1	HARDMAN AEROSPACE	05/78
2819	ETHYL CORP	2869	2	1	HARDWICKE CHEMICAL CO	06/78
4924	SOUTH JERSEY INDS INC	1442	1	1	HARDY SAND CO	12/78
382/	SMITHE INDS LTD	3621	1	1	HAROWE SYSTEMS INC	03/78
	NAVIGATION INDS INC		1	1	HARRISBURG MACHINE GROUP	06/78
2032	CONSOLIDATED FOODS		4	1	HARRISON HOUSE/FOOD SERVICE	02/78
2865	CROMPTON & KNOWLES	5161	4	1	HARSHAW CHEMICAL/DYE BUSINESS	08/78
6711	LEASEWAY TRANS CORP	7513	1	1	HAWTHORN LEASING CO INC	03/78
6711	INTL MULTIFOODS CORP	2048	1	1	HAYNES MILLING CO	11/78
3573	CONTROL DATA CORP		2	1	HEALTH CONSULTANTS OF DENVER	08/78
7394	ITEL CORP		1	1	HEALTH CONTROL CORP	05/78
6311	LUMBERMENS MUTUAL CAS		1	1	HEAREX OCCUPATIONAL HEALTH SVC	02/78
	GENERAL ATOMIC CO	3559	3	1	HELIX/CRYOGENIC NEUTRON RADIOG	11/78
7392	SCIENCE MGMT CORP		1	1	HENDRICK & CO INC	07/78
3321	AMSTED INDS INC	3494	1	1	HENRY PRATT CO	04/78
5311	TWIN FAIR INC	5311	2	1	HENS & KELLEY INC	05/78
4925	HILL PETROLEUM CO	2911	2	1	HI-OCTANE TERMINAL CO	01/78
2819	GRACE W R & CO	7391	1	1	HICKEY ENTERPRISES INC	02/78
3561	COMMERCIAL SHEARING		1	1	HILBILT HYDRAULIC MFG CO	05/78
	MANOR CARE INC		1	1	HILLHAVEN CORP	08/78
3622	UNIMAX GROUP INC	5944	1	1	HIRSCH A & SON	11/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
4832	AMER BROADCASTING COS	2721	1	1	HITCHCOCK PUBLISHING CO	06/78
1311	AMARCO RESOURCES CORP	1389	1	1	HOBBS WELL SERVICE	06/78
3691	GOULD INC	3662	1	1	HOFFMAN ELECTRONICS CORP	01/78
2751	STAFFORD-LOWDON INC		2	1	HOLIDAY PRESS	11/78
3531	GARDNER-DENVER CO	3559	1	1	HOLLIS ENGINEERING INC	02/78
2022	UNIVERSAL FOODS CORP	2022	2	1	HOLLY WORLD FOODS	04/78
2051	INTERSTATE BRANDS CORP	2051	1	1	HOLSUM BAKING CO	03/78
5013	REPUBLIC AUTO PARTS	5013	1	1	HOLT DISTRIBUTING CO	01/78
6211	JANNEY MONTGOMRY SCOTT	6211	1	1	HOPPIN WATSON INC	01/78
2281	AKZONA INC	2023	1	1	HOSPITAL DIET PRODS CORP	08/78
283/	SYNTEX CORP	2844	1	1	HOUSE OF WESTMORE INC	10/78
6311	PENNSYLVANIA LIFE CO	6122	1	1	HOUSTON FIRST FINANCIAL GROUP	07/78
5531	GAMBLE-SKOGMO INC	6711	1	1	HOWARD BROS DISCOUNT STORES	02/78
4923	COASTAL STATES GAS	5983	1	1	HOWARD OIL CO INC	06/78
3317	MARK CONTROL CORP	3523	1	1	HOYT CORP	07/78
3312	NATL STEEL CORP	5051	1	1	HUBBELL METALS INC	08/78
5041	AMER RECREATION GROUP	3751	3	1	HUFFY/BICYCLE ACCESS BUSINESS	07/78
6722	BROAD STREET INVESTNG		1	1	HUNTER INVESTMENT CORP	10/78
6211	MERRILL LYNCH & CO		2	1	HUNTOON PAIGE ASSOCIATES LTD	11/78
3674	SWANTON CORP	5084	1	1	HURD MACHINERY INC	06/78
3573	TELEX CORP	3662	1	1	HY-GAIN ELECTRONICS CORP	04/78
/	ROYAL PKGNG INDS VAN	2649	1	1	HY-SIL INC	08/78
	HYCHEM INC		1	1	HYLUX CORP	/78
	HYCHEM INC	2899	1	1	HYSAN CORP	/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3531	BARBER-GREENE CO	3531	1	1	I R L DAFFIN & ASSOCIATES INC	04/78
5086	PURITAN-BENNETT CORP		1	1	IDEAL MEDICAL INC	08/78
5051	ASSOC METALS & MINERAL		3	1	IMC CHEM GROUP/CHEMICALS INTL	07/78
3662	HAZELTINE CORP	3573	1	1	IMLAC CORP	09/78
2711	PANAX CORP	2711	1	1	IMLAY CITY TIMES (THE)	01/78
	INCO DEVELOPMENT CORP		2	1	INCO GRAPHICS	06/78
3573	HONEYWELL INC	3573	1	1	INCOTERM CORP	01/78
4911	MCQUAY-PERFEX INC		1	1	IND PUERTORRIQUENA DE RADIADOR	01/78
4925	PEOPLES GAS CO	3052	1	1	INDUSTRIAL FUELS CORP	04/78
3728	KAMAN CORP		1	1	INDUSTRIAL SERVICE INC	11/78
	K SYSTEMS INC		3	1	INFO MAGNETICS/LINEAR-MTR OPER	10/78
3579	ADDRESSOGRAPH-MULTIGRA	3573	1	1	INFORTEXT INC	06/78
2721	TIME INC	2653	1	1	INLAND CONTAINER	11/78
671/	ANGLO AMERICAN CORP	1021	1	1	INSPIRATION CONSOL COPPER CO	07/78
2721	ESQUIRE INC	2731	1	1	INSTRUCTIONAL FAIR INC	12/78
7372	APPLIED DATA RESEARCH		2	1	INSYTE APPLICATIONS CORP	10/78
7372	APPLIED DATA RESEARCH		2	1	INSYTE DATACOM CORP	10/78
4924	ENSERCH CORP	5084	1	1	INTAIRDRIL COS LTD	01/78
1381	KENAI DRILLING LTD	1311	1	1	INTER-AMERICAN PETROLEUM CORP	05/78
3573	CONTROL DATA CORP		2	1	INTERHEALTH INC	08/78
6552	BEVERLY ENTERPRISES	6711	1	1	INTERMED INC	08/78
3573	CONTROL DATA CORP		1	1	INTERNATIONAL MEDICAL CENTER	08/78
2051	METZ BAKING CO	2051	3	1	INTERSTATE BRANDS/ROYAL BAKING	07/78
2752	DONNELLEY R R & SONS	2752	1	1	INTERWEB	06/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3573	ROLM CORP		1	1	INTL BUSINESS TELEPHONE INC	06/78
3143	INTERCO INC	2352	1	1	INTL HAT CO	03/78
5064	CRAIG CORP	5065	1	1	INTL MERCHANDISING ASSOCIATES	10/78
5311	AMFAC INC	0913	1	1	INTL SHELLFISH ENTERPRISES INC	03/78
3429	EASTERN CO		3	1	INTL WATER/MARINE TOILET OPER	11/78
1311	TRITON OIL & GAS CORP	1384	1	1	INVENT INC	08/78
6711	CHEMICAL NEW YORK CORP		1	1	INVESTMENT CAPITAL MANAGEMENT	07/78
6711	L S M CORP		2	1	INVESTMENT TRUST & ASSURANCE	05/78
3713	T & J INDS INC		2	1	ISCO MFG CO	01/78
3662	INTL TELEP & TELEGRAPH		1	1	ISOSTAT	05/78
2327	SIEGEL (HENRY I) CO		1	1	J G SECO INC	03/78
	DIONYSIAN INC		2	1	JACOBS (THE) CORP	07/78
3724	TEXTRON INC	3524	2	1	JACOBSON MFG CO	06/78
3579	ADDRESSOGRAPH-MULTIGRA	3573	1	1	JACQUARD SYSTEMS	12/78
363/	THORN ELECTRICAL INDS	3825	1	1	JAMES G BIDDLE	06/78
5159	STANDARD COMM TOBACCO	5159	1	1	JAMES I MILLER TOBACCO CO LTD	11/78
2321	PHILLIPS-VAN HEUSEN	5641	1	1	JAMES T MULLIN & SONS	04/78
	AXXEN ENTERPRISES		2	1	JAYMAX PREC PRODS	09/78
3622	SIGMA INSTRUMENTS INC		3	1	JBT INST/SHURITE METER PRODS	02/78
2086	COCA-COLA BOTTLING N Y	3229	1	1	JEANNETTE CORP CO	08/78
3312	INTERLAKE INC	3324	2	1	JETSHAPES INC	05/78
5311	MAY DEPT STORES	5411	3	1	JEWEL COS/19 TURN-STYLE STORES	06/78
2111	PHILIP MORRIS INC	2086	2	1	JFW ENTERPRISES/SEVEN UP BOT	/78
2024	FRIENDLY ICE CREAM	5812	1	1	JIM DANDY NORTHEAST CORP	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
7813	FIRST ARTISTS PRODUCT	2321	1	1	JOEL/CAL-MADE	07/78
5311	MARSHALL FIELD & CO	5712	1	1	JOHN BREUNER CO	11/78
6211	EDWARDS A G & SONS INC		1	1	JOHN H HARWOOD & CO	01/78
5311	CARTER HAWLEY HALE	5311	1	1	JOHN WANAMAKER	04/78
7261	I F S INDS INC	7261	1	1	JOHNSON MORTUARY	05/78
2026	BEATRICE FOODS CO	2086	1	1	JOLY CORP	05/78
5051	WILLIAMS COMPANIES		4	1	JONES & LAUGHLIN STEEL/9METAL	02/78
1542	ABRAMS INDS INC	3569	1	1	JONES AUTOMATIC SPRINKLER INC	03/78
3822	FOXBORO CO	3622	1	1	JORDON CONTROLS INC	11/78
3999	WALTER KIDDE & CO	3524	1	1	K & S MFG CO	/78
2834	COOPER LABORATORIES		1	1	K L I INC	08/78
	JEFFERSON MILLS INC	2282	2	1	KAHN & FELDMAN INC	05/78
286/	DOMTAR INC		3	1	KAISER CEMENT GYPSUM/GYP WALLB	05/78
7261	I F S INDS INC	7261	1	1	KAMMANN MORTUARY	05/78
2895	CABOT CORP	3339	1	1	KAWECKI-BERYLCO INDS	04/78
7394	ITEL CORP	7374	3	1	KEANE ASSOC/PHYSICIAN BILLING	02/78
7399	ACTON CORP	2065	2	1	KELLING NUTS	02/78
6711	TRANS UNION CORP	5122	1	1	KENAULT INC	09/78
3312	ALLEGHENY LUDLUM INDS		2	1	KENNEDY CO	03/78
3714	EATON CORP	3537	1	1	KENWAY INC	02/78
2231	HUYCK CORP	2822	1	1	KERN RUBBER CO	05/78
2051	FLOWERS INDS INC		1	1	KERNS BAKERY OF VA INC	01/78
2732	ARCATA NATL CORP	2611	1	1	KEYES FIBRE CO	11/78
5013	STERLING PRECISION	8911	1	1	KING & GAVARIS CONSULT ENGINEE	10/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3241	AMCORD INC	3533	1	1	KNIGHT INDS INC	12/78
	SEIDMAN & SEIDMAN		1	1	KNOPFLER (A S) & CO	09/78
5812	COLONY FOODS INC		1	1	KNOTT HOTELS CORP	06/78
3312	PORTEC INC	3535	1	1	KOLBERG MFG CORP	08/78
/	FURUNO ELECTRIC CO		2	1	KONEL CORP	10/78
0179	UNITED BRANDS CO		1	1	KREY PACKING CO	06/78
3564	RESEARCH-COTTRELL INC	8911	1	1	KVB INC	03/78
5411	CIRCLE K CORP	3499	1	1	KWIK-WAY FOOD STORES	08/78
3679	WABASH INC	3694	1	1	L A COMUTATOR INC	01/78
506/	BROWN BOVERI & CO		3	1	L F E/CONTROL SYSTEMS	09/78
6711	DIAMOND INTL CORP	6711	1	1	L M F CORP	11/78
	METPATH INC		1	1	LANCET MEDICAL INDUSTRIES INC	07/78
6711	LDB CORP	2451	1	1	LANCHART INDS INC	11/78
3811	SPECTRA-PHYSICS INC	3829	1	1	LASER ANALYTICS INC	11/78
3662	COHERENT INC	3811	1	1	LASER INC	12/78
1622	DRAVO CORP	1442	1	1	LAUGHERY GRAVEL CO	01/78
671/	HARLEQUIN ENTERPRISES	2721	1	1	LAWKER CO	/78
	E C C O SERVICE GROUP	7393	1	1	LAWRENCE SERVES INDUSTRY INC	06/78
2711	NEW YORK TIMES CO	2731	3	1	LEARNING CONCEPTS/SPEC ED PROD	07/78
5099	GAMBLE-SKOGMO INC	5712	1	1	LEATH & CO	02/78
7374	DATA DIMENSIONS INC		1	1	LEDGERMATIC INC	07/78
6411	ALEXANDER & ALEXANDER		1	1	LEE SMITH & CO INC	08/78
3662	GENERAL SIGNAL CORP	3822	1	1	LEEDS & NORTHRUP CO	09/78
3641	DUAL-LITE INC		1	1	LELAND ELECTROSYSTEMS INC	06/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3914	TOWLE MFG	3914	1	1	LEONARD SILVER INTL	09/78
	CARGILL INC	2899	1	1	LESLIE SALT CO	06/78
3674	OPTEL CORP	5912	1	1	LEVITT INDS INC	07/78
2761	DUPLEX PRODUCTS INC	2761	1	1	LEWIS BUSINESS PRODUCTS INC	01/78
2844	REVLON INC		1	1	LEWIS-HOWE CO	02/78
3573	CONTROL DATA CORP		2	1	LIFE EXTENSION INC	07/78
/	LRC INTL LTD		1	1	LIGHTER CORP OF AMERICA	12/78
	GOTHAM LIFE INS CO	6311	2	1	LINCOLN NATL LIFE INS	06/78
	SPORTS DIRECTION LTD		2	1	LIONEL MORSAN INC	05/78
2721	HARPER & ROW PUBLISHER	2731	1	1	LIPPINCOTT J B CO	09/78
3544	V S I CORP	3599	1	1	LIQUIDONICS INDS INC	07/78
2065	FANNY FARMER CANDY SHO		3	1	LITTLE DUTCH CANDY MILL/CANDY	07/78
7391	XONICS INC		4	1	LITTON MED SYS/OPERTNS	04/78
	MICHIGAN PROPERTIES		2	1	LLOYD J HARRISS PIE CO	07/78
3674	THERMO ELECTRON		2	1	LOFTUS CORP	05/78
6711	WYNNS INTL INC	3585	1	1	LONE STAR MFG CO	04/78
1321	MAPCO INC		1	1	LONGBRANCH COAL CO	02/78
2026	BEATRICE FOODS CO	2023	1	1	LONGLIFE DAIRY PRODUCTS INC	01/78
3541	CLAUSING CORP		1	1	LOS ANGELES DIE MOLD CO	05/78
2721	MEREDITH CORP	2711	1	1	LOS GATOS PUBLISHING CO	05/78
2099	NORIN CORP	5149	1	1	LOUIS SHERRY INC	12/78
2211	WESTPOINT-PEPPERELL		3	1	LUDLOW CORP/CARPET MFG FACILIT	08/78
3799	ARTIC ENTERPRISES INC	3732	1	1	LUND AMERICAN INC	01/78
2011	LTV CORP	3312	1	1	LYKES CORP	12/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2099	STEWART SANDWICHES		1	1	M & M COFFEE CO	11/78
6711	IMPELL CORP		1	1	M & W RESOURCES INC	11/78
6711	GULF & WESTERN INDS	7394	1	1	M D C CORP	08/78
3841	BARD C R INC		1	1	M I SYSTEMS INC	02/78
6552	MISCHER CORP	5039	1	1	MABRY MILLWORKS INC	06/78
3069	WEST CO INC (THE)	3079	1	1	MACK-WAYNE PLASTICS CO	02/78
1542	ABRAMS INDS INC	1799	1	1	MACON SPRINKLER & SUPPLY INC	03/78
/	ROYAL PKGNG INDS VAN	3079	1	1	MADICO INC	08/78
2721	PUBCO CORP		1	1	MAILOMATIC INC	01/78
	CONTACTS METALS & WELD		2	1	MALLORY METALLURGICAL CO	03/78
7374	DATA DIMENSIONS INC	7374	1	1	MANAGEMENT STATISTICS INC	07/78
7399	EQUIFAX INC	7374	1	1	MANAGEMENT SYSTEMS INC OF AMER	05/78
6711	COMMERCE BANCSHARES		1	1	MANCHESTER FINANCIAL CORP	11/78
5912	BEGLEY DRUG CO		1	1	MANFIELD HOME PHARMACY INC	12/78
671/	ANGLO CO LTD	1381	1	1	MANNING CO	04/78
3651	SUPERSCOPE INC	3931	1	1	MARANTZ PIANO CO	07/78
3612	GENERAL ELECTRIC CO	1099	1	1	MARCONA CORP	04/78
/	KONINKLIJKE WESSANEN	2024	2	1	MARIGOLD FOODS	09/78
	NAVIGATION INDS INC		1	1	MARINE MAINTENANCE CO	06/78
	NAVIGATION INDS INC		1	1	MARINE MAINTENANCE OF TX INC	06/78
325/	IBSTOCK-JOHNSON LTD	3251	2	1	MARION BRICK CORP	06/78
3429	SCOVILL MFG CO	3634	1	1	MARKEL ELECTRIC PRODUCTS INC	05/78
2086	WOMETCO ENTERPRISES		3	1	MARRIOT CORP/AUTO FOOD VENDING	02/78
5182	ALCO STANDARD CORP	5086	1	1	MARSIN MEDICAL SUPPLY CO	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
5621	LIMITED STORES INC	5136	1	1	MAST INDUSTRIES INC	07/78
	C M T INDS INC	3693	1	1	MATRIX INSTRUMENTS INC	04/78
3241	LONE STAR INDS INC	3273	2	1	MAULE INDUSTRIES INC	02/78
5099	AMCENA CORP	5621	1	1	MAURICES INC	12/78
3429	EASTERN CO		3	1	MAXIMUM INC/PATENTED MARINE	04/78
2911	ASHLAND OIL INC	1622	1	1	MAXWELL BRIDGE CO INC	01/78
2041	CONAGRA INC	2011	1	1	MBPXL CORP	12/78
3728	EX-CELL-O CORP	3714	1	1	MCCORD CORP	01/78
3829	AMETEK INC	3823	1	1	MCCROMETER INC	08/78
3011	BANDAG INC		1	1	MCDONOUGH R A RETREAD CO	07/78
3321	HARSCO CORP		3	1	MCDOWELL-WELLMAN/FUEL PROCESS	01/78
3321	HARSCO CORP		3	1	MCDOWELL-WELLMAN/BULK MATER	01/78
391/	DAVY INTL LTD	6711	1	1	MCKEE CORP	11/78
3533	HUGHES TOOL CO	3533	2	1	MCMURRY OIL TOOLS INC	05/78
8071	AMER MEDICAL INTL INC		1	1	MED-AMERICA	10/78
3535	MAXCO INC		1	1	MEDAR INC	02/78
	SCRIPPS (E W) CO (THE)	6711	1	1	MEDIA INVESTMENT CO	08/78
6711	TRANS UNION CORP	7374	1	1	MEDICAL COMPUTER SYSTEMS INC	05/78
7374	TYMSHARE INC	7374	1	1	MEDICAL INFORMATION INC	/78
5051	WHITTAKER CORP	5086	1	1	MEDICUS AFFILIATES INC	/78
2321	PHILLIPS-VAN HEUSEN		1	1	MENS WEAR INTL INC	11/78
7372	CULLINANE CORP		1	1	MENTEL INC	10/78
2721	PUBCO CORP		1	1	MERKLE COMPUTER SYSTEMS INC	01/78
3496	CAMPBELL CHAIN CO	3462	1	1	MERRILL BROTHERS	01/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3822	ITEK CORP		1	1	MERRIMACK OPTICAL CO	04/78
5311	DAYTON-HUDSON CORP	5311	1	1	MERVYNS	06/78
6711	TANNETICS INC	1751	1	1	MERZON INDS	05/78
3469	ZERO CORP	8911	1	1	METATRONICS MFG CORP	03/78
283/	GLAXO HOLDINGS LTD	2834	1	1	MEYER LABORATORIES INC	02/78
2821	INTERPLASTIC CORP		3	1	MIA CHEMICALS/NEW YORK DIV	08/78
6145	DIAL CORP	7394	2	1	MID STATES ENTERPRISES INC	12/78
2211	STEVENS (J P) CO		2	1	MID-AMERICA WEBPRESS INC	03/78
2022	UNIVERSAL FOODS CORP	2086	1	1	MID-CONTINENT INDUSTRIES INC	06/78
1311	DAMSON OIL CORP	1311	1	1	MIDCO ENERGY INC	10/78
3069	GREAT AMER INDS INC	2653	1	1	MIDLAND CONTAINER CORP	05/78
3714	JOHNSON MFG CO		3	1	MIDLAND-ROSS/PLAS RESRCH PRODS	07/78
3317	UNARCO IND INC	3462	1	1	MIDWEST CORP	02/78
3444	ROBERTSON H H CO	2821	1	1	MIDWEST MFG CORP	01/78
734/	RENTOKIL GROUP LTD		1	1	MIGHTY NATL EXTERMINATORS INC	06/78
3674	AMER MICROSYSTEMS INC	3662	1	1	MILLENNIUM SYSTEMS INC	08/78
4832	AMER BROADCASTING COS		1	1	MILLER PUBLISHING CO	06/78
1044	ROSARIO RESOURCE CORP	1311	1	1	MILLICAN OIL CO	09/78
3241	LONE STAR INDS INC	3999	1	1	MINERAL AGGREGATES INC	06/78
264/	REED INTL LTD		2	1	MINI-MICRO SYSTEMS MAGAZINE	03/78
3499	SIGNODE CORP	2463	1	1	MINIGRIP INC	06/78
6311	OLD REPUBLIC INTL CORP	6711	1	1	MINNESOTA TITLE FINANCIAL CORP	08/78
2844	MINNETONKA INC		2	1	MIRAQ BUSINESS	06/78
6311	OLD REPUBLIC INTL CORP		1	1	MISSISSIPPI VALLEY TITLE INS	10/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
6411	FRED S JAMES & CO		1	1	MITCHELL GAINES & HENRY INC	11/78
3541	CLAUSING CORP		1	1	MOARK MOLD INC	05/78
3585	BORG-WARNER CORP	6159	4	1	MOBILE HOME FINANCE SERVICE	06/78
3541	CLAUSING CORP		1	1	MOL-BEE INC	01/78
1021	NORD RESOURCES CORP		1	1	MONTARA PETROLEUM CO	08/78
	BRANDON APPLIED SYSTEM	7374	1	1	MONTGOMERY-MCDONALD INC	06/78
2842	CLOROX CO	2037	1	1	MOORES FOOD PRODUCTS INC	02/78
5122	FOREMOST-MCKESSON INC	5161	1	1	MORELAND CHEMICAL CO	01/78
4899	GRAPHIC SCANNING CORP		1	1	MORRISON RADIO RELAY CORP	12/78
3011	BANDAG INC		1	1	MOUNTAIN TIRE OF OHIO	04/78
3011	BANDAG INC		1	1	MOUNTAIN TIRE OF PENNSYLVANIA	04/78
/	MINERAL RESOURCES INTL		1	1	MULLINS COAL CO	09/78
2721	MCGRAW-HILL INC		1	1	MULTI-LIST INC	01/78
3411	PACIFIC HOLDING CORP		1	1	MURDOCK HOLDING CORP	08/78
3533	TRICO INDS INC	5084	1	1	MURPHY SALES CO INC	12/78
359/	GOETZEWERKE FRIEDRICH	3592	2	1	MUSKEGON PISTON RING CO	04/78
4011	PENNSYLVANIA CO	5172	1	1	MYERS METERED GAS SERVICE INC	03/78
	GLORETTA FOODS	2033	2	1	N C C FOOD CORP	01/78
/	B A T INDS LTD	2231	3	1	N C R/APPLETON PAPERS	07/78
2844	COLGATE-PALMOLIVE CO		3	1	N D M/MEDICAL PRODS DIV	12/78
335/	LEAD INDS GROUP LTD	33XX	3	1	N L INDS/ANTIMONY DIV	09/78
/	DIDIER-WERKE A G		3	1	N L INDS/TAYLOR REFRACTORIES	11/78
1311	MEGA CORP		1	1	N R G INC	/78
3811	HAZLETON LABORATORIES	2899	3	1	NALCO CHEMICAL/ENVIRON SCIENCT	11/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3829	SIMMONDS PRECISION PRO	5099	1	1	NASCO INTL INC	02/78
6711	FEDERAL CO	2077	1	1	NATIONAL BY-PRODUCTS	02/78
3662	SOLID STATE TECHNOLOGY	3823	1	1	NATIONAL DATA SYSTEMS INC	02/78
4213	FUQUA INDS INC	5311	1	1	NATIONAL INDS INC	01/78
2062	SAVANNAH FOODS & INDS		3	1	NATL CAN CORP/WELLS DIVISION	10/78
3586	TOKHEIM CORP	3662	1	1	NATL CONTROLS CORP	09/78
3931	BALDWIN-UNITED CORP	6311	2	1	NATL INVESTORS LIFE INS	02/78
209/	UNILEVER LTD (ENGL)	2891	1	1	NATL STARCH & CHEMICAL CORP	08/78
5023	CARLSON COS INC	5961	1	1	NAUM BROS INC	04/78
5311	AMES DEPT STORES INC	5331	1	1	NEISNER BROTHERS INC	11/78
3585	APPLICATION ENG CORP		4	1	NELMOR/CERTAIN DIVS	08/78
7391	DYNATECH CORP	3829	1	1	NEURODYNE-DEMPSEY INC	08/78
///	PECHINEY UGINE KUHLMAN	3728	1	1	NEW ENGLAND AIRCRAFT PRODS CO	06/78
6711	LANCASTER COLONY CORP	5142	1	1	NEW YORK FROZEN FOODS INC	07/78
6711	GANNETT CO INC	2711	2	1	NEWS-JOURNAL CO	01/78
5621	CATO CORP	5099	3	1	NEXUS INDS/92 HARVEYS STORES	05/78
3549	KENT-MOORE CORP	3471	1	1	NORBROOK INC	06/78
5013	STERLING PRECISION	5013	1	1	NORMAN AUTO SUPPLY STORES	09/78
2711	HARTE-HANKS COMMUNCATI	2752	1	1	NORTEX OFFSET PUBLICATIONS	01/78
2869	WITCO CHEMICAL CORP	2841	1	1	NORTH AMERICAN CHEMICAL CORP	03/78
6711	INTL BANK	6321	1	1	NORTHEASTERN INSUR CO HARTFORD	02/78
4932	UGI CORP	2813	1	1	NORTHERN GASES INC	05/78
6311	MANHATTAN LIFE CORP	6311	1	1	NORTHERN NATIONAL LIFE INS CO	01/78
3825	SUN ELECTRIC CORP	3694	1	1	NORTRON CORP	04/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
344/	THOMAS TILLING LTD	5085	2	1	NORVELL-WILDER SUPPLY CO	09/78
1382	HAMILTON BROS PETROLEU	1382	1	1	NORWEGIAN OIL CO	08/78
2452	CARLSBERG CAPITAL CORP		1	1	NOYES ROACH CO	06/78
3559	COMPO INDS INC		2	1	NUFAC INC	08/78
6361	TICOR		1	1	O'FLYNN & VERITY INC	04/78
5013	GENUINE PARTS CO	5072	1	1	ODELL HARDWARE CO	05/78
6711	SOUTHERN NAT RESOURCES	1381	1	1	OFFSHORE (THE) CO	04/78
1541	JACOBS ENGINEERING GRP	1629	1	1	OHIO ATLAS CONSTR CO INC	08/78
3643	HARVEY HUBBELL INC	3264	1	1	OHIO BRASS (THE) CO	08/78
3533	GALVESTON-HOUSTON CO	9999	1	1	OILFIELD MACHINE WORKS INC	11/78
6411	FRED S JAMES & CO		1	1	OLIN HURST & HEMRICH	11/78
3296	JOHNS-MANVILLE	2621	1	1	OLINKRAFT INC	12/78
3999	WALTER KIDDE & CO INC	3662	1	1	OLIVER RADIO EMERGENCY MONITOR	03/78
7218	SERVISCO	7218	1	1	OMNI SERVICE	10/78
3479	CHROMALLOY AMER CORP	2834	1	1	ONEAL JONES & FELDMAN INC	01/78
6211	BACHE GROUP INC		1	1	ORANGE COUNTY INS AGENCY	08/78
3545	REGAL-BELOIT CORP	3714	1	1	ORBMARK CO	05/78
2087	SEVEN-UP CO	2034	1	1	OREGON FREEZE DRY GOODS INC	02/78
6711	FRIGITRONICS INC	5086	1	1	OSTERTAG OPTICAL SERVICES INC	01/78
2086	COCA-COLA BOTTLING N Y	5311	2	1	OUTLET CO	01/78
3949	BRUNSWICK CORP	3841	2	1	OXFORD LABORATORIES	06/78
5812	MARRIOTT CORP		1	1	P E I FOODS INC	04/78
2834	COOPER LABORATORIES	3843	1	1	PACEMAKER CORP	06/78
3622	CUTLER-HAMMER INC	7397	1	1	PACIFIC RELIABILITY CORP	08/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
7392	COMPUTER SCIENCES CORP		3	1	PAID PRESCRIPTNS/COMML CLAIMS	02/78
6311	PENINSULAR LIFE INS CO		2	1	PAN AMERICAN VAN LINES INC	03/78
3541	CLAUSING CORP	3479	1	1	PAN-O-GRAVE INC	01/78
6711	SAFECO CORP		2	1	PARENT FINANCIAL CORP	11/78
6711	FRIGITRONICS INC	5999	1	1	PARK CENTRAL OPTICAL CO	02/78
2013	DOUGHTIES FOODS INC	5146	1	1	PARKS SEAFOOD INC	07/78
6146	COOK TREADWELL & HARRY		1	1	PATES-POCOCK INSURANCE	08/78
5812	PONDEROSA SYSTEM INC		3	1	PATRIOT STEAK HOUSES/9 HOUSES	01/78
7379	D P F INC	5149	3	1	PATTERSON C J/HOLSUM BREAD	01/78
5912	SAV-ON-DRUGS	5912	3	1	PAYLESS DRUGS/15 S CALIF DRUGS	03/78
3572	SCM CORP	2869	1	1	PCR INC	12/78
3441	INDAL LTD	3442	1	1	PEACHTREE DOORS INC	05/78
6711	SANDGATE CORP	7539	1	1	PEACOCK RADIATOR MFG CO	03/78
2082	GENERAL BREWING CO	2082	2	1	PEARL BREWING CO	01/78
2082	GENERAL BREWING CO		2	1	PEARL CONTAINER CORP	01/78
	FAR TEX FEEDERS INC		2	1	PECOS VALLEY FEED YARD	07/78
6711	ESMARK INC	5063	1	1	PEMCOR INC	09/78
6711	CAMPBELL TAGGART INC	2052	1	1	PENN DUTCH COOKIE CORP	06/78
2111	LIGGETT GROUP INC	2086	1	1	PEPSI-COLA BOT OF STOCKTON CA	04/78
6711	I C INDS INC	2086	2	1	PEPSI-COLA BOTTLING CO OF CINC	02/78
7299	BLOCK H & R INC	6711	1	1	PERSONNEL POOL OF AMERICA INC	08/78
2089	I C INDS INC	2023	1	1	PET INCORPORATED	08/78
203/	CADBURY SCHWEPPES LTD	2065	1	1	PETER PAUL INC	04/78
6711	TENNECO INC	6311	1	1	PHILADELPHIA LIFE INS CO	03/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
/	BOEHRINGER INGELHEIM	2831	2	1	PHILIPS ROXANE LABS INC	12/78
2026	BEATRICE FOODS CO	2065	2	1	PHOENIX CANDY CO INC	05/78
2641	MINNESOTA MINING & MFG		1	1	PHOTOMEDIA CO INC	11/78
1382	GEOSOURCE INC	1389	1	1	PICENCO INTL INC	03/78
2099	STEWART SANDWICHES	2099	1	1	PIEDMONT SANDWICH CO	11/78
6794	NIAGARA FRONTIER SVCS	5141	1	1	PIERI J G CO INC	07/78
	MIDLAND RESOURCES INC		1	1	PILL & PUFF INC	08/78
3699	DOCUTEL CORP		2	1	PINE STATE KNITWEAR CO	03/78
3662	TRACOR INC		3	1	PINKERTON COMPUT CONS/SCIENTIF	04/78
3999	NATL MED ENTERPRISES		1	1	PINOLE HOSPITAL INC	03/78
2016	VALMAC INDS	2044	1	1	PIONEER FOOD INDS INC	09/78
515/	LOHMANN & CO A G	01XX	3	1	PIONEER HI-BRED/POULTRY DIVS	09/78
3533	GEARHART-OWEN INDS INC	1382	1	1	PIPER WELL SURVEYS INC	01/78
2844	REVLON INC	2831	1	1	PLASMA ALLIANCE INC	11/78
3541	CLAUSING CORP		1	1	PLASTIC ENGINEERING INC	01/78
	LINDEN CHEMS & PLASTIC		2	1	PLASTIC INDS INC	10/78
3641	CANRAD-HANOVIA INC	3079	2	1	PLASTIC RESOURCES INC	04/78
2732	DEVON GROUP INC	7394	1	1	POLOMAR CORP	06/78
3465	CORE INDS INC	3079	1	1	POLY-CRAFT INC	05/78
2819	PHILADELPHIA QUARTZ CO	3231	1	1	POTTERS INDS INC	03/78
3648	THOMAS INDS INC	3962	1	1	POULIOT DESIGNS CORP	08/78
2331	PALM BEACH INC		1	1	POWDERHORN MOUNTAINEERING INC	/78
2621	ST REGIS PAPER CO	6711	1	1	POWER MATERIALS HANDLING CO	08/78
6552	PETRO-SILVER INC		1	1	PRAIRIE DRILLING CO	06/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2819	STAUFFER CHEMICAL CO	5153	1	1	PRAIRIE VALLEY INC	12/78
4743	ACF INDS INC	3714	1	1	PRECISION EXCHANGE PARTS INC	06/78
3829	AMETEK INC		1	1	PRECISION FILTER CO	06/78
2631	SONOCO PRODUCTS CO		2	1	PREMTEC INC	07/78
	AMERLIN INDS INC	3079	1	1	PREPAC INC	09/78
2086	COCA-COLA CO	2643	1	1	PRESTO PRODUCTS INC	05/78
2844	COLGATE-PALMOLIVE CO	5199	1	1	PRINCESS HOUSE	04/78
/	KEANG NAM ENTERPRISES	1541	2	1	PRITCHARD J F & CO	09/78
/	STRONAT INVESTMENTS	0211	1	1	PROCOR INC	09/78
7394	ITEL CORP		1	1	PROFESSIONAL AUTOMATED SERVICE	10/78
3533	GALVESTON-HOUSTON CO	3498	1	1	PROGRESSIVE METALS & SERVICES	09/78
7321	NATIONAL DATA CORP		1	1	PROHECA INC	08/78
6711	N N CORP	6149	2	1	PROVIDENCE WASHINGTON LIFE INS	01/78
6311	EQUITABLE LIFE INS IOW		1	1	PROVIDENT LIFE INS CO	05/78
6711	TENNECO INC	3321	2	1	PRYOR FOUNDRY	02/78
515/	DALGETY LTD	2085	3	1	PUBLICKER INDS/MALTING FACILIT	06/78
2611	CROWN ZELLERBACH CORP		1	1	PULP RECYCLING NORTHEAST CORP	08/78
3824	NEPTUNE INTL CORP	3589	1	1	PURIFICATION TECHNIQUES INC	06/78
5411	PENN TRAFFIC CO	5411	1	1	QUALITY MARKETS INC	/78
3574	N C R CORP	3573	1	1	QUANTOR CORP	12/78
3944	GABRIEL INDS INC	3944	2	1	QUESTOR EDUCATION PRODUCTS CO	01/78
7311	BBDO INTERNATIONAL INC	7311	1	1	QUINN & JOHNSON INC	01/78
1021	TEXAS GULF INC		1	1	QUINN COAL INC	12/78
3662	INTL TELEP & TELEGRAPH	3573	1	1	QUME CORP	12/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3432	MASCO CORP	3498	1	1	R & B MFG CO	01/78
2041	GENERAL MILLS INC		1	1	R & R STAMPS INC	/78
	NATIONAL SYSTEMS		1	1	R E T S ELECTRONIC SCHOOLS INC	11/78
3679	JARD CO	3621	2	1	R M R CORP	12/78
2819	ESSEX CHEMICAL CORP	2869	1	1	RACON INC	01/78
3714	SHELLER-GLOBE CORP	3841	1	1	RADIATION-MEDICAL PRODUCTS	05/78
4899	GRAPHIC SCANNING CORP		1	1	RADIO RELAY CORP	12/78
2026	BORDEN INC	3541	1	1	RAGSDALE BROS INC	/78
	P R S ENTERPRISES INC	5661	1	1	RAIFORDS INC	01/78
2421	EVANS PRODUCTS CO	3541	1	1	RAILWAY TRACK WORK CO	09/78
2874	WILLIAMS COMPANIES	1382	1	1	RAINBOW RESOURCES INC	08/78
/	G E A GROUP	3443	1	1	RAINEY CORP	06/78
3079	SAMUEL MOORE & CO		1	1	RAM SENSORS INC	01/78
3731	OGDEN CORP	2033	1	1	RAMIREZ & FERAUD CHILI CO	08/78
6552	CAVANAGH COMMUNITIES		1	1	RAMPART DEVELOPMENT CORP	12/78
3652	G R T CORP	3652	1	1	RANWOOD RECORDS INC	05/78
2026	BEATRICE FOODS CO	2452	1	1	REASOR (THE) CORP	07/78
2211	FIELDCREST MILLS INC		3	1	REEVES BROS/APPAREL EAGLE PHEN	10/78
6711	ESMARK INC	2076	2	1	REGAL FOODS INC	06/78
5411	LUCKY STORES INC	2013	1	1	REGAL PACKING CO	07/78
7399	EQUIFAX INC	5111	1	1	REGAL PRINTING INC	05/78
6211	OPPENHEIMER & CO	5944	1	1	RELIABLE STORES CORP	02/78
3573	CONTROL DATA CORP		2	1	RELOCATION REALTY SERVICE CORP	02/78
3914	ONEIDA LTD	5963	1	1	RENA-WARE DISTRIBUTORS INC	10/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				DATE OF
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	COMPLETION
2819	GRACE W R & CO	7394	1	1	RENT-IT INC	01/78
3581	U M C INDUSTRIES	3599	1	1	RESISTOFLEX CORP	05/78
	WESTERN DYNETICS INC		2	1	REV-O-PAK	03/78
3993	FEDERAL SIGNAL CORP	7379	1	1	REVENUE CONTROL SCIENCES INC	12/78
6211	DEAN WITTER ORGANIZAT	6211	1	1	REYNOLDS SECURITIES INTL INC	01/78
2833	MALLINCKRODT INC		1	1	RICHARDSON & HOLLAND CORP	04/78
286/	CRODA INTL LTD	2893	2	1	RICHARDSON INK CO	11/78
671/	JANNOCK LTD (CANADA)	3251	1	1	RICHLAND BRICK CO	09/78
1521	RYAN HOMES INC	1521	1	1	RICHMOND CONSTRUCTION CORP	04/78
3432	MASCO CORP	3499	1	1	RIEKE CORP	04/78
3221	AMER INTL CONTAINER		2	1	RIEKES CONTAINER	09/78
6711	CHARTER CO	5172	1	1	RIFFE PETROLEUM CO	10/78
1311	OCCIDENTAL PETROLEUM	5191	1	1	RING AROUND PRODUCTS INC	08/78
391/	METAL BOX LTD	3079	1	1	RISDON MFG CO	12/78
2819	ETHYL CORP		3	1	RISDON MFG/CAN VALVE DISPENSIN	05/78
6711	I N A CORP		1	1	ROBB J D & ASSOCIATES	08/78
3634	LASKO METAL PRODS INC		3	1	ROBBINS & MYERS/PORT FAN BUS	07/78
	BELKOF INC		3	1	ROBBY LEN SWIM FAS/SWIMSUIT BU	09/78
7311	DOREMUS & CO	7311	1	1	ROBERT J HERR ASSOC	01/78
5944	JEWELCOR INC	5099	1	1	ROBERT M GLASS CO	07/78
4743	TRANS UNION CORP	3679	1	1	ROCHESTER INSTRUMENT SYSTEMS	01/78
	STERLING FAUCET CO		3	1	ROCKWELL INTL/BLDG COMPONENTS	06/78
283/	BEECHAM GROUP LTD	283X	3	1	ROHM & HAAS/ANIMAL HEALTH	04/78
2819	MONSANTO CO	2869	3	1	ROHM & HAAS/MAN-MADE FIBER	01/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2844	REVLON INC	2844	1	1	ROUX LABORATORIES INC	08/78
1381	ROWAN COS	1381	1	1	ROWAN INTL INC	07/78
/	IONA DEVELOPMENT CORP		1	1	ROYAL HOMES INC	09/78
5944	GORDON JEWELRY CORP	59XX	3	1	ROYAL JEWELERS/KENTUCKY ASSETS	04/78
3451	DYSON-KISSNER CORP	5084	1	1	ROYAL ZENITH CORP	11/78
7311	BBDO INTERNATIONAL INC		1	1	RUBINSTEIN-CHANFER STUDIOS	/78
7311	BOZELL & JACOBS INTL	7392	3	1	RUDER & FINN/HOUSTON & DALLAS	05/78
6711	TANDY BRANDS INC	5699	1	1	RYONS SADDLE & RANCH SUPPLIES	08/78
283/	CIBA-GEIGY A G		1	1	S P E CORP	01/78
	BAYSIDE HOLDING CORP		2	1	S S P TRUCK EQUIPMENT INC	08/78
2821	WESCORP		1	1	SACKWAR G A CO	08/78
7393	WACKENHUT CORP		3	1	SAFEGUARD IND SEC/SEC GUARD	11/78
3411	AMER CAN CO	5733	1	1	SAM GOODY INC	06/78
4924	ENSERCH CORP	2298	1	1	SAMSON OCEAN SYSTEMS INC	05/78
3714	EATON CORP	3079	1	1	SAMUEL MOORE & CO	04/78
3533	GEARHART-OWEN INDS INC	1389	1	1	SAND SURVEYS INC	01/78
515/	DALGETY LTD	2037	1	1	SANTA FE-DRISCOLL PACKERS INC	07/78
2721	MEREDITH CORP	2711	1	1	SARATOGA NEWS PUBLISHING CO	05/78
2643	PRINTPACK INC	5113	3	1	SAXON INDS/FILM CONVERT UNITS	04/78
6711	RYAN INS GROUP INC		2	1	SCARBOROUGH & CO	04/78
	TRANS AMERICA TIRE LTD		3	1	SCHENUIT INDS/TIRE DIV	11/78
7374	ANACOMP INC		1	1	SCI-TEK ASSOCIATES	08/78
3799	ARTIC ENTERPRISES INC	3799	1	1	SCORPION INDS INC	04/78
	HUMPHREYS LEATHER GOOD	3172	3	1	SCOTT & FETZER/LEATHER GOODS	/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2621	JAMES RIVER CORP OF VA	2641	2	1	SCOTT GRAPHICS INC	12/78
6311	ORION CAPITAL CORP	6331	2	1	SECURITY INSURANCE GROUP	03/78
2899	QUAKER CHEMICAL CORP	3996	1	1	SELBY BATTERSBY & CO INC	06/78
5944	ZALE CORP		3	1	SELCO/12 DILLARD FINE JEWELRY	06/78
3585	TRANE CO	3662	1	1	SENTINEL ELECTRONICS CORP	10/78
6321	CITY INVESTING CO	5962	1	1	SERVOMATION CORP	09/78
3273	GIFFORD-HILL & CO INC	3295	1	1	SERVTEX MATERIALS CO	03/78
7996	CEDAR POINT INC	5947	3	1	SEVEN SEAS/CHAIN RETL GIFT STS	02/78
2026	BEATRICE FOODS CO	2086	1	1	SEVEN UP BOTTLING CO	05/78
2111	PHILIP MORRIS INC	2087	1	1	SEVEN-UP CO	/78
2033	NORTON SIMON INC	5134	1	1	SEWING SALES CO INC	08/78
	PENNSYL CARPET MILLS	2271	3	1	SHAW INDS/CARPET WEAVING UNIT	/78
3362	UGI CORP	5984	1	1	SHENGAS CORP	08/78
2711	HARTE-HANKS COMMUNCATI	2711	1	1	SHOWCASE PUBLISHING CO	/78
/	COMPTOIR DES CENDRES	3339	1	1	SHTEINSHLIEFER CO	06/78
2452	CARLSBERG CAPITAL CORP		1	1	SIDCO INC	06/78
5084	PETROLANE INC	1381	1	1	SIGNAL DRILLING CO	/78
5084	PETROLANE INC	1389	1	1	SIGNAL OIL FIELD SERVICES INC	06/78
5812	ARA SERVICES INC	7218	1	1	SILCO INC	08/78
1311	UNION OIL CO OF CALIF	1041	1	1	SILVER BELL INDS INC	12/78
2026	BEATRICE FOODS CO	5149	1	1	SILVER SPRINGS WATER	04/78
6711	GULF & WESTERN INDS	2515	1	1	SIMMONS CO	11/78
3622	CUTLER-HAMMER INC	3825	3	1	SINGER CO/INSTRUMENTATION	05/78
	CAROLINA KNITTING ASSO		3	1	SINGER CO/KNITTING MACHINES	02/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
	VANDGUARD SUPREME MACH		3	1	SINGER CO/KNITTING MACHINE BUS	01/78
671/	JANNOCK LTD (CANADA)	3251	3	1	SIPPLE (H B) BRICK/BRICK MFG	05/78
6794	KAMPGROUNDS OF AMERICA	5084	1	1	SIR SPEEDY INC	01/78
8911	C R S DESIGN ASSOCIATE		1	1	SIZEMORE ASSOCIATES	05/78
6211	CARL MARKS	5074	2	1	SMITH PIPE & STEEL CO	09/78
3536	AMER HOIST & DERRICK	3531	1	1	SMITH-BERGER MFG CORP	07/78
2211	CANNON MILLS CO		1	1	SOCIAL CIRCLE COTTON MILL CO	11/78
3662	LEAR SIEGLER INC		1	1	SOLOMON KORFF INDS	07/78
7399	EQUIFAX INC		1	1	SONNTAG-MALLORY INC	04/78
/	ALEXANDER HOWDEN GROUP		1	1	SOUTHEASTERN AVIATION UNDERWRT	02/78
4011	CHICAGO MILWAUKEE CORP	3443	1	1	SOUTHERN BOILER & TANK WORKS	10/78
1541	JACOBS ENGINEERING GRP		2	1	SOUTHERN INSTRUMENTS INC	04/78
	MOXIE INDS INC		1	1	SOUTHERN PACKING CO	06/78
3724	THIOKOL CORP	3079	1	1	SOUTHWEST CHEMICAL SERVICES	05/78
	PIONEER INC	2649	3	1	SOUTHWEST FOREST/L A GIFT WRAP	06/78
6711	TOLEDO INDS PRODS CO		3	1	SOUTHWEST FOREST INDS/WIREBOUN	08/78
2869	WITCO CHEMICAL CORP	2992	1	1	SOUTHWEST PETRO-CHEM INC	08/78
1211	KANEB SERVICES INC	6711	1	1	SOUTHWESTERN GROUP FINANCIAL	08/78
2041	PILLSBURY CO	2099	1	1	SPEAS CO	05/78
2041	PILLSBURY CO		1	1	SPEAS HOLDING CORP	05/78
3673	VARIAN ASSOCIATES INC	3325	1	1	SPECIALTY METALS & ALLOYS CO	02/78
6711	NATIONAL CHEMSEARCH		1	1	SPECIALTY PRODUCTS CO	07/78
3634	MCGRAW-EDISON CO		1	1	SPECIFIED PRODUCTS INC	06/78
3673	SCIENTIFIC-ATLANTA INC	3825	1	1	SPECTRAL DYAMICS CORP	02/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3573	HONEYWELL INC	3674	1	1	SPECTRONICS INC	08/78
2021	LAND O LAKES	2011	1	1	SPENCER FOODS INC	10/78
3792	COACHMEN INDS INC	3711	1	1	SPORTSCOACH CORP	06/78
6711	BUNNINGTON CORP	3549	1	1	SPRING WATER MFG CO INC	03/78
3714	HAYES-ALBION CORP	3361	1	1	ST LOUIS DIECASTING CORP	/78
5812	PONDEROSA SYSTEM INC	5812	1	1	ST LOUIS METROPOL PONDEROSA	09/78
3533	GALVESTON-HOUSTON CO	9999	1	1	STABIL-DRILL SPECIALTIES INC	11/78
2643	BEMIS CO		4	1	STANDARD PACKG/PACKG MACHINRY	/78
3679	CODI CORP		1	1	STANDARD REFERENCE LABS INC	01/78
	SIMPAK PHARMACEUTICAL		2	1	STANLEY DRUG PRODUCTS INC	06/78
6711	N N CORP		1	1	STANWOOD INDS OF OHIO INC	04/78
5082	NEWBERY ENERGY CORP	1542	1	1	STATE INC	09/78
6711	N N CORP	6331	1	1	STATE SURETY CO	01/78
6711	CONERGICS CORP	2385	1	1	STEARNS MFG CO (MINN)	03/78
2033	ALLEN CANNING INC	203X	2	1	STEELE CANNING	12/78
2621	HAMMERMILL PAPER CO	5113	1	1	STEINDLER PAPER CO	01/78
	TOWERS PERRIN FORSTER		1	1	STENNES & ASSOCIATES INC	09/78
2258	LIBERTY FABRICS OF N Y	22XX	3	1	STERN & STERN TEXTILE/LACE DIV	12/78
3533	N L INDS INC	3533	2	1	STEWART & STEVENSON OILTOOLS	03/78
2099	STEWART SANDWICHES	5149	1	1	STEWART IN-FRA-RED COMM OF MA	01/78
7311	YOUNG & RUBICAM INC	7311	1	1	STONE & ADLER INC	10/78
6711	ESMARK INC	2992	2	1	STP	05/78
6711	I N A CORP	6321	1	1	STUYVESANT INS CO	10/78
2721	MEREDITH CORP	2711	1	1	SUBURBAN NEWSPAPER PUBLICATION	05/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
349/	COPE ALLMAN INTL	3079	1	1	SUNBEAM PLASTICS CORP	08/78
6711	UNITED CONSOLIDAT INDS	5013	3	1	SUPER AUTOMOTIVE/2 JOBBER STOR	01/78
3325	MIDLAND-ROSS CORP		1	1	SUPER-STRUT INC	01/78
5311	SERVICE MERCHANDISE CO		3	1	SUPERMKTS GEN/VALUE HOUSE CAT	09/78
	NORTHERN INSTRUMENTS		1	1	SURREY INC	01/78
2261	NORTEK INC	3449	1	1	SWENSON BUILDING GRANITE CORP	06/78
/	NORTHERN TELECOM LTD	3573	1	1	SYCOR INC	05/78
6411	ROLLINS BURDICK HUNTER		1	1	SYNERCONSULTANTS	09/78
3573	HONEYWELL INC	3674	1	1	SYNERTEK INC	03/78
/	CANADIAN PACIFIC LTD	3262	1	1	SYRACUSE CHINA CORP	05/78
7399	EQUIFAX INC	7374	1	1	SYSTEMEDICS INC	05/78
3999	NATL MED ENTERPRISES	5063	1	1	T A D AVANTI INC	03/78
2086	PEPSICO INC	5812	1	1	TACO BELL	06/78
	PRESSPRICH R W & CO	5094	1	1	TACOA INC	08/78
/	MANNESMANN A G		1	1	TALLY CORP	12/78
6711	SPARTAN MFG CORP		3	1	TANDY CORP/ALLIED ELECTRONICS	01/78
3469	SMITH JONES INC		3	1	TAPPAN CO/AIR CONDITIONING DIV	10/78
3462	PITTSBURGH FORGINGS CO	3523	1	1	TAYLOR IMPLEMENT MFG CO	01/78
3533	TEXAS INTL CO	1389	1	1	TAYLOR WELL SERVICE INC	08/78
2819	GRACE W R & CO	3599	1	1	TEC SYSTEMS INC	06/78
3662	GULTON INDS INC	3651	1	1	TECHNICAL AUDIO PRODS CORP	09/78
7321	DUN & BRADSTREET CORP	2721	1	1	TECHNICAL PUBLISHING CO	01/78
7311	N C K ORGANIZATION		1	1	TED BARASH & CO	/78
3732	BANGOR PUNTA CORP	3721	1	1	TED SMITH AEROSTAR CORP	03/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2911	ASHLAND OIL INC	1611	1	1	TED WILKERSON INC	01/78
3861	BELL & HOWELL CO		3	1	TELEMATION/VIDEO HARDWARE MFG	04/78
3841	BECTON DICKINSON & CO	7374	1	1	TELEMED CORP	/78
/	HANSON TRUST LTD		2	1	TEMPLON SPINNING MILLS	12/78
2819	GREAT LAKES CHEMICAL		2	1	TESCO CHEMICALS INC	08/78
3674	FAIRCHILD CAMERA & INS	3671	1	1	TESTLINE INSTRUMENTS INC	06/78
1382	HAMILTON BROS PETROLEU	4922	1	1	TEXAS GAS CORP	/78
2819	GREAT LAKES CHEMICAL	5172	1	1	TEXAS INTL LUBRICANTS	04/78
4469	TIDEWATER INC	3494	1	1	TEXCENTRIC INC	02/78
3442	INTL ALUMINUM CORP	3361	1	1	TEXLINE ALUMINUM PRODS INC	12/78
6711	HILLMAN CO	6711	1	1	TEXSTAR CORP	01/78
5311	CARTER HAWLEY HALE	5311	1	1	THALHIMER BROTHERS INC	08/78
8071	AMER MEDICAL INTL INC		1	1	THERAPY ASSOCIATES INC	10/78
2654	MARYLAND CUP CORP		1	1	THOMAS WINSTEAD & CO	02/78
6311	TRANSAMERICA CORP		1	1	TIERRA TITLE CO	10/78
2311	SUPERIOR SURGICAL MFG		2	1	TIFFINY UNIFORMS	07/78
1011	CLEVELAND-CLIFFS IRON	1311	1	1	TIGER OIL INTL	11/78
/	AMEV N V	6311	1	1	TIME HOLDINGS INC	01/78
5411	DILLION COS	5411	1	1	TIME SAVER STORES INC	02/78
5084	PETROLANE INC		1	1	TIRE WORLD CO	12/78
2261	NORTEK INC	3533	1	1	TOOLTECH INC	12/78
3931	BALDWIN-UNITED CORP	7396	2	1	TOP VALUE ENTERPRISES INC	01/78
5182	ALCO STANDARD CORP	5023	1	1	TOSCANY IMPORTS LTD	04/78
6512	POP SHOPPES INTL INC	2086	1	1	TOWNE CLUB BEVERAGE CORP	02/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3621	LIONEL CORP	5945	1	1	TOY TOWN U S A INC	05/78
3711	C C I CORP	3679	1	1	TRAFFIC DATA SYSTEMS INC	02/78
1731	FISCHBACH & MOORE INC	3441	1	1	TRAMCO INC	09/78
7216	COIT DRAPERY & CARPET	7216	2	1	TRANS-WESTERN SERVICE INDS	05/78
364/	SIEMENS A G	3662	1	1	TRANSCONTROL CORP	06/78
3728	AIR CARGO EQUIPTMENT	3728	1	1	TRANSEQUIP PACIFIC INC	11/78
3534	DOVER CORP	3443	1	1	TRANTER INC	01/78
3536	AMER HOIST & DERRICK	3321	1	1	TRAVERSE CITY IRON WORKS	02/78
3999	WALTER KIDDE & CO INC	5999	1	1	TREHER-MONTAQUE INC	/78
2026	BEATRICE FOODS CO	2033	1	1	TROPICANA PRODUCTS INC	08/78
399/	WILKINSON MATCH LTD		2	1	TRUE TEMPER CORP	04/78
7374	COMSHARE INC		1	1	TRUST MANAGEMENT SYSTEMS INC	06/78
3499	SIGNODE CORP	3443	1	1	TRUSWAL SYSTEMS INC	11/78
3721	NORTHROP CORP		3	1	TULL AVIATION/LANDING SYSTEM	04/78
3721	NORTHROP CORP		2	1	TULL INTL CORP	04/78
506/	BROWN BOVERI & CO	3511	4	1	TURBODYNE/GAS & TURBINE	04/78
3825	ESTERLINE CORP	3549	1	1	U M I CORP	08/78
	BUEHRLE CHEMICAL CO		3	1	U S INDS/PLASTIC & RUBBER PROD	04/78
2048	DOMAIN INDS INC	3079	1	1	U S PACKAGING CORP	06/78
3316	WORTHINGTON INDS	3322	1	1	U-BRAND CORP	03/78
3221	BALL CORP	3079	1	1	UNIMARK PLASTICS INC	05/78
6711	LIBERTY (THE) CORP	6321	1	1	UNION FIDELITY LIFE INS INC	/78
6711	ORBANCO INC	6146	1	1	UNION INVESTMENT CO	07/78
6711	TRIANGLE CORP	3469	1	1	UNION MFG INC	01/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3714	FLINT MFG CO		3	1	UNIROYAL/ROYAL GOLF	08/78
6399	HARTFORD STEAM BOILER	35XX	1	1	UNITECH INC	08/78
6025	BALDWIN-UNITED CORP	6723	1	1	UNITED CORP	01/78
6211	MERRILL LYNCH & CO		2	1	UNITED FIRST MORTGAGE CORP	11/78
5122	FOREMOST-MCKESSON INC	5182	1	1	UNITED LIQUORS LTD OF CONN INC	08/78
6022	IRVING TRUST CO	6153	2	1	UNITED VA FACTORS	12/78
2844	BRISTOL-MYERS CO	3843	1	1	UNITEK CORP	04/78
3651	MOTOROLA INC	3662	1	1	UNIVERSAL DATA SYSTEMS INC	12/78
2731	SCOTT FORESMAN & CO	2731	1	1	UNIVERSITY PARK PRESS INC	08/78
3662	BARNES ENGINEERING CO		1	1	V T TECHNOLOGIES INC	12/78
3667	RACAL ELECTRONICS LTD	3661	1	1	VADIC CORP	05/78
5411	LUCKY STORES INC	5199	2	1	VALLEY DISTRIBUTING CO	10/78
6711	VALUE CITY INC	5311	1	1	VALLEY FAIR (THE) CORP	12/78
7996	CEDAR POINT INC	7996	2	1	VALLEYFAIR	09/78
3541	CLAUSING CORP	6513	1	1	VAN-OAK CORP	01/78
3728	PARKER-HANNIFIN CORP	37XX	1	1	VANSICKLE INDS INC	06/78
3949	BRUNSWICK CORP	3433	1	1	VAPOR CORP	09/78
1611	MCDOWELL ENTERPRISES		1	1	VAUGHN (R L) INC	01/78
3792	LEISURE TIME PRODS INC	3799	1	1	VEGA CORP	06/78
6711	GREYHOUND CORP	6361	1	1	VEREX CORP	03/78
3622	EMERSON ELECTRIC CO	3585	1	1	VERNCO CORP OF TENN	02/78
6519	PENN VIRGINIA CORP	3535	1	1	VIBRANETICS INC	/78
	THC INC		1	1	VICON INSTRUMENT CO (THE)	12/78
3861	TECHNICOLOR INC		1	1	VIDTRONICS CO INC	06/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3728	HEATH TECNA CORP	3644	1	1	VIKING INDS INC	/78
2611	CROWN ZELLERBACH CORP	5111	1	1	VIRGINIA PAPER CO INC	01/78
2026	DEAN FOODS CO	5146	4	1	VITA FOOD PRODS INC/HERR&FISH	05/78
2621	DEXTER CORP		4	1	VITARINE/PARENTERAL	12/78
2033	HEINZ H J CO	2035	1	1	VLASIC FOODS INC	06/78
6331	EMPLOYERS MUTUAL LIAB	6331	2	1	VOLKSWAGEN INS CO	01/78
6711	LEASEWAY TRANS CORP	7513	1	1	VONCILLE TRUCK LEASING CO	10/78
5211	WICKES CORP		3	1	VORNADO INC/59 HOME IMPROVEMEN	01/78
3312	U S STEEL CORP	2819	3	1	W R GRACE/HATCO POLYESTER DIV	05/78
5065	SIBONEY CORP		3	1	W R GRACE/SW EDUCATIONAL PRODS	09/78
/	THOMSON EQUITABLE CORP	2731	1	1	WADSWORTH PUBLISHING CO	03/78
0181	AMER GARDEN PRODS INC		1	1	WALTONS	09/78
2048	RALSTON PURINA CO	7391	1	1	WARF INSTITUTE INC	01/78
3531	BURRO CRANE INC		3	1	WARNER & SWASEY/BADGER	08/78
3573	DETECTION SCIENCES INC		3	1	WARNER & SWASEY/COMPUTER	07/78
6281	E M W VENTURES INC	5074	1	1	WARNER CO	01/78
3693	MEDTRONIC INC	3832	3	1	WARNER-LAMBERT/MED DATA SYSTEM	01/78
3572	SCM CORP	2648	1	1	WARSHAW MFG CO INC	10/78
2721	TIME INC		2	1	WASHINGTON STAR (THE)	3/78
3662	FREQUENCY SOURCES INC	3679	1	1	WAVECOM INDS	06/78
3635	SCOTT & FETZER	3433	1	1	WAYNE HOME EQUIPMENT CO	02/78
6211	MOSELEY HALLGARTEN EST		1	1	WEEDEN HOLDING CORP	11/78
2033	HEINZ H J CO	6794	1	1	WEIGHT WATCHERS INTL INC	/78
1311	SUN CO INC	7374	1	1	WEILAND COMPUTER GROUP INC	04/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
3533	GEARHART-OWEN INDS INC	3811	1	1	WELL RECONNAISSANCE INC	05/78
5812	WENDYS INTL INC		1	1	WENDYS OF WEST VIRGINIA INC	07/78
2834	GLENWOOD LABS INC		3	1	WEST CHEM/CONSUMER DIV	04/78
3533	BAKER INTL CORP	3532	1	1	WEST VIRGINIA ARMATURE CO	/78
3399	LYDALL INC	2291	1	1	WESTERN ACADIA INC	03/78
4469	TIDEWATER INC	7394	1	1	WESTERN AIR GROUP	03/78
3499	BARRY WRIGHT CORP		1	1	WESTERN LOOSE LEAF CO	08/78
2711	PANAX CORP	2711	2	1	WESTERN NEWS (THE)	06/78
2631	SONOCO PRODUCTS CO	3448	1	1	WESTERN STEEL BUILDINGS INC	10/78
6711	INVESTMENT CO OF AMER		1	1	WESTFIELD GROWTH FUND INC	04/78
3443	MARLEY CO		3	1	WESTINGHOUSE ELEC/CONDENSERS	/78
1382	GEOSOURCE INC		2	1	WHEATLEY CO	12/78
3841	STANDEX INTL CORP		1	1	WHEELWRIGHT CO	11/78
6211	MERRILL LYNCH & CO		1	1	WHITE WELD HOLDINGS INC	04/78
3564	WHEELABRATOR-FRYE INC	3536	1	1	WHITING CORP	03/78
3823	WEKSLER INSTRUMENTS		1	1	WIC NEWCO INC	05/78
	J S DEVELOPMENT CORP	1521	2	1	WIDEFIELD HOMES INC	01/78
2819	GREAT LAKES CHEMICAL		1	1	WIL RESEARCH LABS INC	06/78
4832	CAPITAL CITIES COMMUNC	2711	1	1	WILKES-BARRE PUBLISHING CO	05/78
358/	INTERMETCO LTD	5149	1	1	WILLENBORG C J INC	09/78
3841	STANDEX INTL CORP		2	1	WILLIAMS MFG CO	11/78
2086	COCA-COLA BOTTLNG MIAM	2086	1	1	WILLIAMSON COCA-COLA BOTTLING	06/78
6711	TEXSTAR CORP		2	1	WILMINGTON VN INC	07/78
2016	TYSON FOODS INC		4	1	WILSON FOODS/BROILER DIV	07/78

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TABLE 11 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME	DATE OF COMPLETION
2844	DEL LABS INC		3	1	WINARICK INC/LACROSS	04/78
3444	LEIGH PRODUCTS INC		1	1	WINDOW COMPONENTS MFG CORP	01/78
3728	KAMAN CORP	5085	1	1	WINN SUPPLY CO	09/78
6711	SMITHS MANAGEMENT CORP	5411	3	1	WINN-DIXIE STORES/23 STORES	09/78
7261	I F S INDS INC	7261	1	1	WINTERHAVEN	05/78
3841	STANDEX INTL CORP	3499	1	1	WIRE-O CORP	05/78
2211	CANNON MILLS CO	2281	1	1	WISCASSETT MILLS CO	07/78
	WDS INC	3411	1	1	WOODS CORP	12/78
371/	BTR LTD (ENGLAND)	3494	1	1	WORCESTER CONTROLS CORP	08/78
6411	MARSH & MCLENNAN COS		2	1	WOREXCO CORP	09/78
	W J A REALTY	7999	1	1	WORLD JAI-ALAI INC	11/78
3635	SCOTT & FETZER		2	1	WORLD-BOOK CHILDCRAFT INTL INC	09/78
2641	REXHAM CORP	3551	1	1	WRIGHT MACHINERY CO INC	06/78
5812	TECHNICAL EQUITIES	3599	1	1	YALE ENGINEERING CO	11/78
6711	RYAN INS GROUP INC		2	1	YARCHIN A & CO	04/78
6711	RYAN INS GROUP INC		1	1	YOUNGBERG-CARLSON CO	04/78
5611	UNISHOPS INC	5641	1	1	YOUTH CENTER INC	09/78
3731	OGDEN CORP	3443	2	1	YUBA HEAT TRANSFER CORP	10/78
5712	WEBERG ENTERPRISES INC		3	1	ZALE CORP/HOME FURNISHING DIV	10/78
	UNITED AFFILIATES CORP	1542	2	1	ZAPATA COAL CORP	02/78
3661	PLANTRONICS INC	3825	1	1	ZEHNTEL INC	05/78
3559	MOREHOUSE INDS INC		1	1	ZEKS INDS INC	01/78
6411	IDEAL NATL INSURANCE	6311	1	1	ZENITH UNITED CORP	06/78
2711	NEW YORK TIMES CO		1	1	ZEPHYRHILLS NEWS	/78
7374	NATIONAL C S S INC	7133	1	1	ZYTRON CORP	

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
0115	PIONEER HI-BREAD INTL		3	1	A M F INC/ELEC CASH REGISTERS
6711	SOUTHERN INDS CORP	1422	4	1	AA CAPITAL/ROUND ROCK LINE CO
671/	GENSTAR LTD		1	1	ABBEY GLEN PROPERTY CORP
2643	PARAMOUNT PACKAGING	2295	1	1	ACME BACKING CORP
3622	CUTLER-HAMMER INC	3679	1	1	ADDINGTON LABORATORIES INC
3533	GEARHART-OWEN INDS INC	1389	1	1	ADMYR INC OF LA
3533	GEARHART-OWEN INDS INC	1389	1	1	ADMYR INC OF TEX
	DRUMMOND CORP	1211	1	1	ALABAMA-BY-PRODUCTS CORP
	FEUER LEATHER CO	2011	2	1	ALLIED LEATHER CO
344/	THOMAS TILLING LTD	6331	1	1	AMBASSADOR INS CO
	PLITT THEATERS INC	7832	3	1	AMER BROAD CO/THEATER OPERS
2821	AMPACET CORP	2816	2	1	AMER THERMOPLASTICS CORP
632/	VEREINIGTE HAFTPFLICHT	6711	1	1	AMERICAN AGENCY FINANCIAL CORP
/	BARCLAYS BANK INTL LTD	6145	1	1	AMERICAN CREDIT CORP
1629	WEEKS DREDGING & CONTR	1629	1	1	AMERICAN DREDGING CO
7621	I I B LTD	3634	1	1	AMERICAN ELECTRIC CORP
6799	FEDERAL REALTY INVESTM	6512	3	1	AMTERRE DEVELOPMNT/15 SHOPPING
3728	PARKER-HANNIFIN CORP		1	1	ANDREWS INDS INC
3612	CONTROL TRANSFORMER CO		3	1	APPLIED MATL/PACHYDYNE
2731	PRENTICE-HALL INC		1	1	ARCO PUBLISHING CO
6711	FIRST AMER FINANCIAL		1	1	ARGONAUT TITLE CO
3825	DIXSON INC	3873	1	1	ART UNLIMITED INTL INC
3069	PANTASOTE CO	2699	1	1	ASTOR HANDPRINTS INC
2731	CHARLES SCRIBNERS SONS	2731	1	1	ATHENEUM PUBLISHERS INC

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
	CAPITAL ENERGY CORP	1382	1	1	ATLANTIS RESOURCES CORP
327/	REDLAND LTD	3443	1	1	AUTOMATED BLDG COMPONENTS
3842	JOHNSON & JOHNSON	7391	1	1	BACTOMATIC INC
3811	G C A CORP		3	1	BAKER INTL/TOTCO LINE OF PETRO
2298	WELLINGTON LEISURE PRO		2	1	BARBERTON PLASTIC PRODS INC
	CORNELL INDS INC		3	1	BARNES GROUP/SPIREX-ATLAS DIST
2721	ESQUIRE INC	2741	1	1	BELWIN-MILLS PUBLISHING CORP
5141	FARM HOUSE FOODS CORP	5146	1	1	BEN KOZLOFF INC
	CAPITAL ENERGY CORP		1	1	BERENSON INC
3679	SERVO CORP OF AMERICA	3662	1	1	BEUKERS LABORATORIES INC
	M G F OIL CORP		1	1	BIG SPRING EXPLORATION INC
6711	CROCKER NATIONAL CORP	6711	1	1	BISHOP INVESTMENT CORP
2911	STANDARD OIL CO (IND)	1211	3	1	BLUE DIAMOND COAL/COAL ASSETS
5141	FLEMING COS INC	5141	1	1	BLUE RIDGE GROCERY CO INC
2819	MCGEAN CHEMICAL CO	3585	3	1	BORG-WARNER/PLATING ON PLASTIC
2026	BEATRICE FOODS CO	3631	1	1	BOSMAN INDS INC
	NASEUS INC	2281	1	1	BURKYARNS INC
3585	BORG-WARNER CORP	739X	3	1	BURNS INTL/ALARM BUSINESS
283/	CIBA-GEIGY A G	7395	1	1	C X CORP
6411	MARSH & MCLENNAN COS		1	1	C-B CO
3861	XEROX CORP		3	1	CALIF COMPUTER PRODS/MEM PRODS
7374	KEANE ASSOCIATES INC		1	1	CAMPBELL & TRELEGAN INC
7311	TED BATES & CO	7311	1	1	CAMPBELL-MITHUN INC
2082	PABST BREWING CO	2082	1	1	CARLING NATL BREWERIES INC

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
2086	ATLAN PEPSI-COLA BOTTL		2	1	CAROLINA CANNERS SOUTH
4924	ENTEX INC		2	1	CENTER SAVINGS ASSOCIATION
6711	NORTHWEST BANCORP	6211	2	1	CENTRAL INVESTMENT CORP
281/	BASF A G	2865	4	1	CHEMETRON CORP/ORGANIC PIGMENT
291/	L AIR LIQUIDE S A		4	1	CHEMETRON/INDUSTRIAL GASES DIV
6022	DIME SAVINGS BANK N Y	6123	1	1	CITIZENS S & L ASSOCIATION
2751	RIVERSIDE PRESS INC		1	1	CITY PRINTING CO INC
3493	I U INTL CORP	6711	1	1	COASTAL INDS INC
018/	KLEINWANZLEBENER SAATZ	5191	1	1	COKERS PEDIGREED SEED CO INC
6711	PHILADELPHIA NATL CORP		1	1	COLONIAL MORTGAGE SVC CO ASSOC
1382	BRODIE EXPLORATION	1311	1	1	COLUMBINE EXPLORATION CORP
7374	ANACOMP INC	7379	1	1	COMPUMATICS INC
3643	CROUSE-HINDS CO	3728	1	1	CONNECTICUT INTL CORP
7311	DEGARMO INC	3822	1	1	COX & CO
3559	NOLAN-JAMPOL INC	3622	3	1	CUTLER-HAMMER/NEWSPAPER MAT
6711	OLD STONE CORP	6162	2	1	D A C CORP
6711	GREYHOUND CORP	6711	1	1	D C L INC
7392	SCIENCE MGMT CORP	7372	1	1	DATA TECHNOLOGY INDS INC
4924	ENTEX INC	3662	1	1	DATOTEK INC
3622	CUTLER-HAMMER INC	3679	1	1	DAVIS & WILDER INC
0811	WEYERHAEUSER CO		3	1	DELTA INDS/PLYWOOD DIV
5113	SAXON INDS INC		3	1	DENNISON MFG CO/COPIER DIV
6531	ANGELES CORP	6211	2	1	DEXTER SECURITIES CORP
3662	INTL TELEP & TELEGRAPH		3	1	DILLINGHAM CORP/FABRI-VALUE

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
	DIAMOND INSULATION IND		2	1	DIVERSIFIED PRODS INC
3569	FILTRATON COFFEE APPAR		3	1	DIXICO/TRICOLATOR
2337	ORIGINALA INC		1	1	DREL PETROLEUM CORP
2026	BEATRICE FOODS CO	2254	1	1	DUOFOLD INC
2869	RICHARDSON CO		3	1	E F HOUGHTON/RUBBER & LEATHER
7399	ACTON CORP	2065	1	1	E F KEMP CORP
	SALEM NATL CORP		1	1	EAST COAST LEASING CORP
1381	MAYNARD OIL CO	1382	1	1	ECHO OIL CORP
3559	EMHART CORP		3	1	EMBEKO INC/CASSIDY ENGNRY
2834	SCHERING-PLOUGH CORP	2899	1	1	EMKO CO
7311	FOOTE CONE & BELDING		1	1	ESPASAS ADVERTISING INC
3832	PERKIN-ELMER CORP	3832	1	1	ETEC CORP
8071	CHARTER MEDICAL CORP		1	1	F & W INVESTORS INC
6711	PACIFIC RESOURCES INC	5171	3	1	F O FLETCHER/DISTL FUEL PAC NW
6531	MARQUIS PETROLEUM CORP		1	1	FARGO ENERGY CORP
1311	SUN CO INC	5411	1	1	FAST FARE INC
2819	GRACE W R & CO	2899	1	1	FELTON INTL INC
6145	BENEFICIAL CORP		1	1	FIDELITY CORP OF VIRGINIA
6022	DIME SAVINGS BANK N Y		1	1	FIRST FED S & L ASSOCIATION
2621	PENTAIR INC	5211	2	1	FLAMBEAU MILL
6711	SEAGO GROUP INC	6724	1	1	FLORIDA INVESTMENT TRUST
3728	PARKER-HANNIFIN CORP		1	1	FOREST CITY REALTY CO
2016	BASIC FOOD INDS INC		1	1	FREMONT OF DEL INC
/	CIT-ALCATEL		1	1	FRIDEN MAILING EQUIPMENT

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
1731	FISCHBACH & MOORE INC	1629	2	1	FUEL ECONOMY ENGINEERING CO
	CENTRAL SHIPPEE INC		3	1	G A F/FELT & FILTER
5133	V S C		3	1	GAMBLE-SKOGMO INC/SKOGMO DIV
6411	MARSH & MCLENNAN COS		1	1	GARDNER CLARKE LAMPTON FEIGHNY
	PIRELLI WIRE & CABLE	3357	3	1	GEN CABLE/POWER CABLE OPERS
2436	GEORGIA-PACIFIC CORP	2782	1	1	GENERAL PASSBOOK CO
6411	FRED S JAMES & CO		1	1	GEORGE HERRMANN & CO
	LAVINO E J & CO	7394	1	1	GEOTHERMAL RESOURCES INTL INC
5149	SYSCO CORP	5149	1	1	GLEN-WEBB & CO
6552	AMER AGRONOMICS CORP	5181	1	1	GORDON BEVERAGES INC
509/	MITSUI & CO LTD		1	1	GORDON P MURPHY INC
365/	DECCA COMMUNICATIONS		3	1	GRANGER ASSOCTS/H F RADIO PROD
6159	GELCO CORP	5511	1	1	GROSSMAN CORP
	FELLSMERE		3	1	GULF & WESTERN/CITRUS CATTLE O
4923	HOUSTON NATURAL GAS	6552	2	1	GULF INTL MARINE CORP
6211	KIDDER PEABODY & CO		1	1	H O PEET & CO
2011	TOBIN PACKING CO INC	5149	1	1	HALCO PRODUCTS CORP
7311	BBDO INTERNATIONAL INC	7311	1	1	HALL BUTLER BLATHERWICK INC
6211	COWEN & CO	6211	1	1	HARDY & CO
3079	HEDWIN CORP	2643	3	1	HARLEY CORP/PLASTIC
4832	CAPITAL CITIES COMMUNI	2711	1	1	HARTFORD COURANT CO
/	REDLAW INC	3714	1	1	HEIN-WERNER CORP
2011	L T V CORP	1389	1	1	HELDIE'S PORTABLE PIPE SERVICE
283/	CIBA-GEIGY A G	2816	3	1	HERCULES/WORLD-WIDE PIGMENTS

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
6411	INSURANCE MANAGEMENT		1	1	HEWITT COLEMAN ASSOC INC
	THOMAS H HOFFMASTER	2647	2	1	HOFFMASTER CO INC
6711	U S LEASING INTL INC	6122	1	1	HOME SAVINGS ASSOC
6211	LOEB RHOADES & CO	6211	1	1	HORNBLOWER WEEKS NOYES & TRASK
283/	CIBA-GEIGY A G		1	1	HOWE & FRENCH
/	CAMBRIDGE PROPERTIES		2	1	HUALAIAN DEVELOP CO
	D M I FURNITURE INC		1	1	HUDSON & ODOM TIRE CO INC
5311	WALTON ENTERPRISES INC	5139	1	1	HUTCHESON WHOLESALE SHOE CO
3822	LEEDS & NORTHRUP CO	3822	1	1	HY-CAL ENGINEERING CO
7394	CONSOLIDATED INDS INC	5499	1	1	HY-LOND ENTERPRISES
739/	SAUDI RESEARCH & DEV	7011	1	1	HYATT INTL CORP
2421	BOISE CASCADE CORP	5211	1	1	INDEPENDENT LUMBER CO INC
	CINVENT BRASS ALUMINUM	5051	4	1	INDUSTL SERV CENTERS/BALT OPER
6711	EL DORADO INTL INC		1	1	INNTERNATIONAL INC
/	HEYWOOD WILLIAMS GROUP	5962	3	1	INTERSTATE UNITED/RESTAU -HOTL
6799	FIRST UNION REAL ESTAT		1	1	INVESTMENT REALTY CO INC
6159	AMPAL-AMER ISRAEL CORP	6723	1	1	ISRAEL DEVELOPMENT CORP
2241	ROSPATCH CORP	3079	1	1	JESSCO INC
2026	BEATRICE FOODS CO	3111	1	1	JOHN J RILEY CO
6211	PRESCOTT BALL & TURBEN		3	1	JOSEPH MILLER & RUSSELL/BROKER
6211	OPPENHEIMER MGMT CORP	6722	1	1	KEYSTONE CUSTODIAN FUNDS INC
3533	TEXAS INTL CO	1382	1	1	KING RESOURCES
/	AGACHE-WILLOT GROUP	5311	2	1	KORVETTES INC
3479	CHROMALLOY AMER CORP	7699	1	1	LEE-TEX VALUE & MFG INC

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
	ERNST & ERNST		1	1	LEIDESDORF S D & CO
2821	INTERPLASTIC CORP	3544	3	1	LOBDELL-EMERY MFG/SHT MOLDING
6211	BLUNT ELLIS & SIMMONS	6211	1	1	LOEWI & CO
3544	V S I CORP		3	1	LOXEM MFG/HOME SECURITY PRODS
581/	WIENERWALD G M B H	6711	1	1	LUMS RESTAURANT CORP
/	ALLIED BREWERIES LTD		1	1	LYONS J & CO
6211	DREXEL BURNHAM LAMBERT		2	1	MACLAINE WATSON & CO
6122	FIDELITY FEDERAL S & L	61XX	2	1	MARINERS S & L
2812	DIAMOND SHAMROCK CORP		1	1	MARSAN MFG CO INC
3479	CHROMALLOY AMER CORP		1	1	MAURICE H SAUAL INC
	DELMED INC	3079	2	1	MEDI INC
9999	ARCHITECTURAL RESEARCH	3251	3	1	MERRY COS INC/PANEL DIV
6711	UNION BANKCORP INC	3678	1	1	METHODE ELECTRONICS INC
6711	SEDCO INC		1	1	MICHAEL CURRY & ASSOCIATES
3559	DORR OLIVER INC		1	1	MICROMATION CORP
4213	ATLAS VAN LINES INC	4712	1	1	MICROTRON INDS INC
4011	READING CO	3011	1	1	MOHAWK RUBBER CO
1311	CITIES SERVICE CO		3	1	MONSANTO/HI-DENSITY POLYETHYLE
2834	COOPER LABORATORIES	3841	2	1	MONTEREY LIFE SYSTEMS INC
6711	I N A CORP	6211	1	1	MOORE LEONARD & LYNCH
283/	RECKITT & COLEMAN LTD		3	1	MORTON-NORWICH/MORTON QUALITY
7379	D P F INC		2	1	MRS CUBBISON FOODS INC
2221	BERKSHIRE HATHAWAY INC	2341	1	1	MUNSINGWEAR INC
6122	BUCKEYE FEDERAL S & L	6799	1	1	NATIONWIDE REAL ESTATE INVESTR

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
6711	OLD STONE CORP	6799	1	1	NATIONWIDE REAL ESTATE INVEST
2091	C H B FOODS INC		4	1	NATL PET FOOD/LEWIS FOOD
3662	INTL TELEP & TELEGRAPH		1	1	NEO-DYN INC
362/	MATSUSHITA ELEC INDS	5065	2	1	NEWCRAFT INC
6723	BALDWIN SECURITIES	6723	1	1	NORTH RIVER SECURITIES CO
5912	NUCLEAR PHARMACY INC		1	1	NUCLEAR MEDICO SERVICES INC
3851	OMEGA OPTICAL CO INC	5086	1	1	OPTIMUM OPTICS
335/	LEAD INDS GROUP LTD	5051	1	1	OSTER A J CO
6711	FAR WEST FINANCIAL	6123	1	1	PACIFIC COAST HOLDINGS INC
	D M I FURNITURE INC		1	1	PACIFIC RUBBER PROCESSING INC
6531	ANGELES CORP		1	1	PARAMOUNT MUTUAL FUND MNGT
272/	GRUNER & JAHR A G		1	1	PARENTS MAGAZINE ENTERPRISES
3662	BARNES ENGINEERING CO	5074	1	1	PARSONS BROTHERS INC
6411	FRED S JAMES & CO		1	1	PATTERSON & ASSOCIATES INC
3442	CROWN INDS INC	2431	1	1	PAUL SANDERS CO
5141	MALONE & HYDE INC	5912	1	1	PETTY'S DRUG CO
6723	MADISON FUND INC	5141	1	1	PICK-N-PAY SUPERMARKET
3317	QUANEX CORP	3498	1	1	PIPE SPECIALTIES INC
283/	CIBA-GEIGY A G		1	1	POLAR CHEMICALS CORP
/	CIE COPPEE DE DEVELOP	2087	1	1	RAMSEY LABORATORIES INC
3433	COMBUSTION ENGINEERING	1629	1	1	RANDALL CORP
1381	TOM BROWN INC		4	1	REED TOOL CO/DRILL COLLAR
6711	FUNDING SYSTEMS CORP	3441	1	1	REYNOLDS MFG CO
6711	HILLMAN CO	5999	1	1	RIDGWAYS INC

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
3728	PARKER-HANNIFIN CORP	3714	1	1	RIVER INDS CORP
	ROTOG APPAREL INC	2361	1	1	ROANNA TOGS INC
2026	PAGE MILK CO INC	2391	1	1	ROK-A-CHAIR MFG CO INC
3944	REVELL INC		1	1	ROMALITE CO
/	E T C CARPET MILLS LTD	2272	1	1	ROTH INDS INC
3479	CHROMALLOY AMER CORP		1	1	S M C INDUSTRIAL CORP INC
2086	ALLEGHENY BEVERAGE COR	2086	1	1	SEVEN-UP BOTTLING CO INC
2111	PHILIP MORRIS INC	2086	1	1	SEVEN-UP BOTTLING CO (NORFOLK)
4923	NORTHERN NATURAL GAS	1211	1	1	SEWANEE MINING CO INC
3914	LEONARD SILVER INTL	3499	1	1	SHELTON WARE INC
3911	WASCO GOLD PRODS CORP	3911	1	1	SHIMAN BROS COLONIAL INC
	TANNER PETROLEUM INC		1	1	SOLAR DESIGN SYSTEMS INC
3662	CUBIC CORP	3534	1	1	SOUTHEASTERN ELEVATOR CO
4953	CHEM-NUCLEAR SYSTEMS		1	1	SOUTHEASTERN WASTE TREATMENT
2328	ANGELICA CORP	7211	1	1	SOUTHERN SERVICE CO
6211	OPPENHEIMER & CO	3253	1	1	SPARTEK INC
	RQA OFFICE SYSTEM PROD		3	1	SPERRY RAND/OFFICE SYSTEMS BUS
	REMINGTON BUSINESS SYS		3	1	SPERRY RAND/TYPEWRITER BUSINES
5172	POWER TEST CORP		3	1	SPIEGEL M & SONS OIL/GAS MKT
	DYNEER CORP	3811	1	1	SPRENGNETHER W F INSTRUMENT CO
	TRI-VALLEY GROWERS		3	1	STANDARD BRANDS/S & W FOODS
671/	ANGLO CO LTD	1389	1	1	STANLEY SWABBING & WELL SERVIC
5722	FRIENDLY FROST INC	5732	1	1	STEREO CIRCUS INC
6211	SPEAR-LEEDS & KELLOGG	6211	1	1	STEVENS ROTHCHILD & CO

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
2082	OLYMPIA BREWING CO	5084	3	1	STEWART & STEVENSON SVCS/TRUCK
3273	GIFFORD-HILL & CO INC	142X	1	1	STUDE INC
3479	CHROMALLOY AMER CORP	3599	1	1	STURM-DIXIE INC
3479	CHROMALLOY AMER CORP	3599	1	1	STURM-MACHINE CO INC
3479	CHROMALLOY AMER CORP	3599	1	1	STURM-SOUTHERN INC
6512	INVESTORS REALTY TRUST	6512	1	1	SUMMIT PROPERTIES
6711	PENNZOIL CO	5172	1	1	SUN-WEST OIL INC
/	POLY INDS		1	1	SUNBURST SOLAR ENERGY INC
1311	SUN CO INC		1	1	SUNOCO EXPLORATION PARTNERSHIP
3674	SWANTON CORP	1211	1	1	T C BELL INC
362/	MATSUSHITA ELEC INDS	5064	1	1	TELECOR INC
103/	RIO TINTO-ZINC CORP	5031	1	1	TENNESSEE BUILDING PRODS INC
264/	DICKINSON ROBINSON GRP	3079	1	1	TOWER PRODUCTS INC
3533	BAKER INTL CORP		1	1	TRI-STATE INTL
	HARRIS & BAGDASARIAN		2	1	TRIMONT LAND CO
600/	DEUTSCHE BANK A G	6211	1	1	U B S-D B CORP
6311	MUTUAL BENEFI LIFE INS	6321	1	1	UNION CENTRAL LIFE INS CO
	OXALAGA INTL ENTERPRIS	3021	3	1	UNIROYAL/U S FOOTWEAR BUSINESS
6711	INLAND MERCANTILE CORP	5013	1	1	UNITED CONSOLIDATED INDS INC
3566	RELIANCE ELECTRIC CO	3643	2	1	UTILITY PRODS CO
7311	DELLA FEMINA TRAVISANO		1	1	VAN LEEUWEN & PARTNERS
2261	NORTEK INC	2611	1	1	VERMONT ASBESTOS GROUP INC
6711	ESMARK INC	2251	1	1	VIRGINIA MAID HOSIERY MILLS
6552	SHIRE NATIONAL CORP		3	1	W POINT PEPPERELL/NONWOVEN DIV

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TABLE 12 - LIST OF MERGERS AND ACQUISITIONS PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***			
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	NAME
4811	CONTINENTAL TELE CORP		1	1	W U I INC
5311	FED-MART CORP	5311	3	1	WALGREEN/10 GLOBE DISCOUNT DEP
1311	ATLANTIC RICHFIELD CO	5983	1	1	WAT TYLER CO INC
/	COMPAIR LTD	3821	3	1	WATTS REGULATOR/FLUID POWER
2711	DES MOINES REGISTER	2711	1	1	WAUKESHA FREEMAN
3565	RANSBURG CORP	3622	1	1	WELTRONIC CO
355/	BAKER PERKINS HOLDINGS	3551	1	1	WERNER LEHARA INC
6022	DIME SAVINGS BANK N Y		1	1	WESTCHESTER COUNTY S & L ASSOC
3728	BERTEA CORP		1	1	WESTERN HYDRAULICS INC
3661	PLANTRONICS INC	3825	1	1	WILCOM PRODUCTS INC
3433	VAPOR CORP	3533	1	1	WILLIS OIL TOOL CO
3841	STANDEX INTL CORP		1	1	WIRE-O SALES CO INC
1311	ATLANTIC RICHFIELD CO	5172	1	1	WM MILLS FUEL CO INC
/	GUETEHOFFNUNGSHVETTE A	3555	1	1	WOOD INDS INC
509/	MITSUI & CO LTD		4	1	WORLD-WIDE SYS/SCAN-OPTICS SYS
4833	TAFT BROADCASTING CO		1	1	WORLDVISION ENTERPRISES INC
3728	BERTEA CORP	3728	3	1	ZERO CORP/HYDRAULICS OPERATINS

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TABLE 12A - LIST OF PARTIAL MERGERS AND ACQUISITIONS, COMPLETED AND PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	PERCENTAGE ACQUIRED	NAME	DATE OF COMPLETION
5039	ASSOCIATED IMPORTS INC	3211	1	2	25	A S G INDS INC	
	SEATRAIN LINES INC		2	2	20	ALASKA PETROCHEMICAL CO	06/78
3622	E-H INTL INC		1	2	20	ALDEBARAN INC	08/78
3721	UNITED TECHNOLOGIES	3829	1	2	45	AMBAC INDS INC	07/78
	JACOBS INDS INC	3799	1	2	25	ARCTIC ENTERPRISES INC	07/78
3714	BENDIX CORP	1021	1	2	20	ASARCO INC	04/78
	TSAI FINANCIAL CORP		1	2	16	ASSOCIATED MADISON COS	04/78
6711	LIBERTY (THE) CORP	6311	1	2	25	ATLAS LIFE INS CO	06/78
671/	WALKER-GOODERHAM & WOR	2085	1	2	12	BACARDI CORP	01/78
	BAKERS	5084	2	2	30	BAKERS EQUIPT/WINKLER INC	
5182	RENFIELD CORP	5122	1	2	36	BARTH-SPENCER CORP	06/78
/	CHANGE WARES LTD	3585	2	2	35	BASTIAN-BLESSING CORP	
	VICOAL INC	2082	2	2	32	BATES MFG CO	09/78
1311	SUN CO INC	3841	1	2	34	BECTON DICKINSON & CO	01/78
339/	FIAT S P A	3841	1	2	39	BENTLEY LABORATORIES INC	11/78
2591	NEWELL COS INC	3423	1	2	24	BERNZ-O-MATIC CORP	05/78
6211	WERTHEIM & CO	3999	1	2		BIO-MEDICAL SCIENCES INC	
/	G R P INVESTMENTS N V	8911	1	2	20	C R S DESIGN ASSOCIATES INC	08/78
671/	PEARSON & SON LTD	3533	1	2	29	CAMCO INC	
3721	UNITED TECHNOLOGIES	3585	1	2	49	CARRIER CORP	12/78
1311	STANDARD OIL CO (CAL)	7391	1	2	25	CETUS CORP	11/78
3743	THRALL CAR MFG CO	3483	1	2	45	CHAMBERLAIN MFG CORP	08/78
3291	NORTON CO	3079	1	2	20	CHEMPLAST INC	08/78
3714	DAYTON-WALTHER CORP	3432	1	2	30	CITATION COS INC	10/78

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TABLE 12A - LIST OF PARTIAL MERGERS AND ACQUISITIONS, COMPLETED AND PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	PERCENTAGE ACQUIRED	NAME	DATE OF COMPLETION
6399	AVEMCO CORP	6711	1	2	12	CLASSIFIED FINANCIAL CORP	12/78
/	ARABIAN SEAOIL CORP SA	2911	1	2	36	COMMONWEALTH OIL REFINING CO	
3452	ILLINOIS TOOL WORKS	3573	1	2	22	COMPUTER PRODUCTS INC	03/78
3851	R H MEDICAL SVCS INC	7349	1	2	25	CROTHALL INTL INC	
2865	KOPPERS CO INC	3622	1	2	21	CUTLER-HAMMER INC	06/78
3679	TYCO LABORATORIES INC	3622	1	2	28	CUTLER-HAMMER INC	05/78
/	NORTHERN TELECOM LTD	3661	1	2		DANRAY INC	01/78
3579	PITNEY-BOWES INC	3579	1	2	47	DICTAPHONE CORP	
/	COMPETROL ESTABLISHMNT	6211	1	2	11	DONALDSON LUFKIN & JENRETTE	12/78
281/	BASF A G	2819	1	2	50	DOW BADISCHE CO	
6331	AMER GENERAL INSUR CO	6711	1	2	15	E R C CORP	11/78
3674	THERMO ELECTRON CORP	3674	1	2	30	EBERLINE INSTRUMENT CORP	11/78
3999	WALTER KIDDE & CO	3662	1	2	20	EDO CORP	04/78
3497	YATES INDS INC	3823	1	2	21	ELECTRO-NITE CO	01/78
7392	REFAC TECH DEV CORP	6711	1	2	35	ELECTRONIC RESEARCH ASSOCIATES	05/78
6711	LIFE INVESTORS INC	6123	1	2	20	EQUITABLE SAVINGS & LOAN ASSOC	08/78
6531	COLDWELL BANKER & CO		4	2	50	EXECUTRANS INC	08/78
/	AACHEN & MUNICH INSUR	6311	1	2	25	FIRST COLONY LIFE INSUR CO	02/78
6145	BENEFICIAL CORP	6123	1	2	20	FIRST TEXAS FINANCIAL CORP	07/78
5065	ROYCE ELECTRONICS	3561	1	2	42	FLINT & WALLING INC	07/78
	AMER FIRST INSURERS		1	2	13	FOUNDERS FINANCIAL CORP	
5531	GAMBLE-SKOGMO INC	5311	1	2	20	GARFINCKEL BROOKS BROS MILLER	08/78
211/	IMASCO LTD	5812	1	2	38	HARDEES FOOD SYSTEM INC	12/78
2121	CULBRO CORP		1	2	25	HAVATAMPA HOLDING CO	

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TABLE 12A - LIST OF PARTIAL MERGERS AND ACQUISITIONS, COMPLETED AND PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***						
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	PERCENTAGE ACQUIRED	NAME	DATE OF COMPLETION
3633	WHIRLPOOL CORP	3585	1	2		HEIL-QUAKER CORP	11/78
/	CANADIAN PACIFIC LTD	2063	1	2		HOLLY SUGAR CORP	03/78
4011	WESTERN PACIFIC INDS	2731	1	2	10	HOUGHTON MIFFLIN	
6711	D C L INC	7819	1	2	31	INFLIGHT SERVICES INC	04/78
2641	MINNESOTA MINING & MFG		1	2	33	INTERNATIONAL MEMORIES INC	06/78
/	NORTHERN TELECOM LTD	3674	1	2	24	INTERSIL INC	
2911	STANDARD OIL CO (IND)	1021	1	2	30	KENNECOTT COPPER CORP	
2631	STONE CONTAINER CORP	2643	1	2	50	KLEARTONE TRANSPARENT PRODS CO	12/78
671/	IVACO INDS LTD	3312	1	2	20	LACLEDE STEEL CO	07/78
6711	COMPUDYNE CORP	3679	1	2	15	LAPOINTE INDS INC	05/78
531/	DOCKS DE FRANCE	5411	1	2	30	LIL CHAMP FOOD STORES INC	
3312	ALLEGHENY LUDLUM INDS	2813	1	2	33	LIQUID AIR CORP	
3662	TELEDYNE INC	3573	1	2	27	LITTON INDS INC	12/78
3674	FAIRCHILD CAMERA & INS	3573	1	2	33	MAGNUSON SYSTEMS INC	
6411	FEDERATED MUTUAL	6799	1	2	12	MARYLAND REALTY TRUST	04/78
/	CONSUMERS DISTRBTNG CO	5961	3	2	24	MAY DEPT/70 CATALOG SHOWROOMS	09/78
6552	FEDERATED DEVELOPMENT	6552	2	2	13	MCCULLOCH OIL CORP	07/78
2076	ARMADA CORP		1	2	45	MERIDIAN INDS INC	01/78
3674	UNITRODE CORP	3662	1	2	25	MICRO NETWORKS CORP	05/78
1311	MITCHELL ENERGY & DEV		1	2	50	MONCO TRANSMISSION SYSTEM	10/78
/	RHONE-POULENC S A	1476	1	2	21	MORTON-NORWICH PRODUCTS INC	03/78
6711	CHARTER CO	6711	1	2	20	NATL LIFE OF FLA CORP	
1311	ATLANTIC RICHFIELD CO		1	2		NORTHRUP INC	03/78
234/	WACOAL CORP	2342	1	2	30	OLGA CO	08/78

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TABLE 12A - LIST OF PARTIAL MERGERS AND ACQUISITIONS, COMPLETED AND PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***						
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	PERCENTAGE ACQUIRED	NAME	DATE OF COMPLETION
6211	OPPENHEIMER & CO		1	2	50	OMNI INTL HOTELS INC	09/78
3718	MAREMONT CORP	5063	1	2	12	PEMCOR INC	04/78
/	TAG INTL M V	3569	2	2	50	POLYMETRICS INC	03/78
211/	IMASCO LTD	2086	2	2	30	POP SHOPPES OF AMERICA INC	10/78
/	INTERNATIONAL SER SYST	7349	1	2	33	PRUDENTIAL BLDG MAINTENANCE	12/78
6711	FOSTER WHEELER CORP	3433	1	2	20	Q-DOT CORP	04/78
3541	WARNER & SWASEY CO	3822	1	2	14	RANCO INC	09/78
1381	READING & BATES OFFSHO		2	2	40	RESOURCES CONSERVATION CO	02/78
615/	SCHLUMBERGER LTD	1381	1	2	18	ROWAN COS INC	07/78
1381	ROWAN COS		1	2		ROWANDRILL INC	07/78
1311	INTERPUBLIC GROUP COS	7311	1	2	49	S S C & B INC	
3573	CONTROL DATA CORP	3573	1	2	45	SCAN-DATA CORP	07/78
2082	SCHMIDT & SONS INC	6711	1	2	29	SCHAEFER (F & M) CORP	
5141	FARM HOUSE FOODS	5141	1	2	24	SCOT LAD FOODS INC	12/78
2812	DIAMOND SHAMROCK CORP	5172	1	2	21	SIGMOR CORP	06/78
/	LUCAS INDS LTD	3674	1	2	25	SILICONIX INC	01/78
152/	SOCIETE AUXILIAIRE S A	1541	1	2	20	SPAW GLASS CO	07/78
367/	CANADIAN MARCONI CO	3662	1	2	49	SUNAIR ELECTRONICS	
/	ETEROUTREMER S A	3079	2	2	46	SUSQUEHANNA CORP	06/78
3573	PERTEC COMPUTER CORP	3573	1	2	14	TALLY CORP	02/78
1311	MITCHELL ENERGY & DEV	4922	1	2	34	TEJAS GAS CORP	06/78
2721	NEW YORKER MAGAZINE	3679	1	2	35	TELERAM COMMUNICATIONS CORP	05/78
6711	PROVIDENT NATL CORP	6711	1	2		TEXAS AMERICAN BANCSHARES INC	10/78
	CANADA DEVELOPMENT	1021	1	2	31	TEXASGULF INC	

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TABLE 12A - LIST OF PARTIAL MERGERS AND ACQUISITIONS, COMPLETED AND PENDING, OVERALL MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***						
SIC#	NAME	SIC#	INDEP. SUB. DIV.	WH-PT	PERCENTAGE ACQUIRED	NAME	DATE OF COMPLETION
2911	ASHLAND OIL INC	7391	1	2	49	TOSCO CORP	
6211	LOEB RHOADES & CO	6711	1	2	34	TRANS DELTA CORP	
6711	CARE CORP	7933	1	2	24	TREADWAY CO	11/78
3732	CHRIS-CRAFT INDS INC	7813	1	2	10	TWENTIETH CENTURY-FOX FILM	07/78
/	FLICK GROUP	3569	1	2	35	U S FILTER CORP	06/78
1311	TITAN-WELLS INC	2819	1	2	21	U S RADIUM	
7311	B B D O INTL INC		1	2	25	ULISES CADILLA & ASSOCIATES	
6159	C M N Y CAPITAL CORP	3079	1	2	16	UNIFLEX INC	
2041	CONAGRA INC		1	2	49	UNITED AGRI PRODUCTS GROUP	06/78
3317	MARK CONTROL CORP		1	2	24	UNITED CENTRIFUGAL PUMPS	
2017	LANE PROCESSING INC	2016	1	2	20	VALMAC INDS INC	10/78
/	FLICK GROUP	2819	1	2	31	W R GRACE & CO	11/78
7999	RESORTS INTL INC		4	2	50	WILLIAMS ELECTRONICS/SEEBURG	

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
A A CAPITAL CORP	AMERICAN AIRLINES
ABC RECORDS & TAPE SALES	AMER BROADCASTING COS INC
ACME AIR APPLIANCES CO	PARKER-HANNIFIN CORP
ADMIRAL INSURANCE CO	ORION CAPITAL CORP
ALLIED LEATHER CO	GENERAL HOST
ALTA LOMA OIL CO	AIKMAN OIL CO
AMCOR INC	DIVERSIFIED EARTH SCIENCES INC
AMERICAN ACCIDENT & HEALTH INSURANCE CO	SENTRY MANAGEMENT CORP
AMERICAN BENEFIT CORP	G S I INC
AMERICAN DIVERSIFIED LIFE INSURANCE CO	AMERICAN DIVERSIFIED HOLDING CO
AMERICAN THERMOPLASTICS CORP	PHILLIPS PETROLEUM CO
AMF VOIT INC	AMF INC
ANACON INC	HIGH VOLTAGE ENGINEERING CO
ANALABS CO	NEW ENGLAND NUCLEAR CORP
ANCHOR CORP	WASHINGTON NATIONAL CORP
ASPEN SYSTEMS CORP	AMERICAN CAN COMPANY
ATCOR INC	KENAI DRILLING LTD
ATWOOD & MORRILL CO	FOSTER WHEELER CORP
AURORA PRODUCTS CORP	NABISCO INC
AVIQUIPO	LOCKHEED AIRCRAFT CORP
AVOSET FOOD CORP	SMITHKLINE CORP
AXIOM	J WALTER THOMPSON CO
BAKERS EQUIPT/WINKLER INC	I T I CORP
BARBERTON PLASTIC PRODS INC	SPARTEK INC
BASIC ELECTRONICS MANUFACTURING CORP	TRANSWORLD CORP
BASTIAN-BLESSING CORP	NYTRONICS INC

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
BATES MFG CO	ARC EQUITIES CORP
BELLOWS INTL	INTL BASIC
BEVERIDGE PAPER CO	SCOTT PAPER CO
BEYDA STORES	OUTLET CO
BP ALASKA INC	BRITISH PETROLEUM CO
BRADSTON HURRICANE INTERNATIONAL	CAMPBELL INDS
BUCKEYE MORTGAGE CO	MIDWESTERN FIDELITY CORP
C E I INC	COMBUSTION ENGINEERING INC
CALSPAN CORP	CORNELL UNIVERSITY
CAROLINA CANNER SOUTH	CAROLINA CANNERS INC
CARTE BLANCHE CORP	AVCO CORP
CENTER SAVINGS ASSOCIATION	AFFILIATED CAPITAL CORP
CERADYNE INC	TRE CORP
CHEM-FAB CORP	HARVEY GROUP INC
CHEMETRON CORP	ALLEGHENY LUDLUM INDS INC
CHEMETRON CORP	ALLEGHENY LUDLUM INDS INC
CHEMETRON CORP	ALLEGHENY LUDLUM INDS INC
CHEMETRON CORP	ALLEGHENY LUDLUM INDS INC
CLARK DIETZ & ASSOCIATES ENGINEERS IN	R L C CORP
CONTINENTAL WESTERN ACCEPTANCE CORP	N N CORP
CORAL SPRINGS COURIER	R M 3 CO
CUSTOM OPTICS INC	SEARLE (G D) & CO
D A C CORP	UNICAPITAL CORP
DAIRY CAP CORP	HI-TECK INDUSTRIES INC
DALE BELLAMAH CORP	ERNEST W HAHN INC
DEXTER SECURITIES CORP	WEEDEN HOLDING CORP

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
DIAGNOSTIC SCIENCES INC	E G & G INC
DIMONDSTEIN BOOK CO INC	MICKELBERRY CORP
DITTO INC	BELL & HOWELL LTD
DIVERSIFIED PRODUCTS INC	LIGGETT GROUP INC
E B & A C WHITING CO	PINE & HOWARD CORP
EAGLE SHIRTMAKERS INC	MAC MULLER INDS INC
EDUTRONICS SYSTEMS INTL INC	COLEMAN AMERICAN COS INC
ELM COATED FABRICS	GRACE W R & CO INC
ESTECH INC	ESMARK INC
ESTECH INC	ESMARK INC
EXECUTRANS INC	SEARS ROEBUCK & CO
EXXON CHEMICAL CO U S A	EXXON CORP
EZRA BROOKS	MEDLEY DISTILLING CO
FAMILY FISH HOUSE INC	SMITHFIELD FOODS INC
FARMBEST FOODS INC	MUNFORD INC
FINANCIAL LIFE INS CO	MN MUTUAL LIFE INS CO
FIRST LEASE INC	FIRST CHICAGO CORP
FLAMBEAU MILL	CAPITAL CITIES COMMUNICATIONS INC
FLEXIBLE CO	ROHR INDS
FREEMAN CHEMICAL CORP	ROBERTSON (H H) CO
FRIT CAR & EQUIPMENT INC	FRIT INDS
FUEL ECONOMY ENGINEERING CO	EMPIRE-CROWN AUTO INC
G & C TOWING INC	TECHNITROL INC
G A T X UNDERWRITERS AGENCY INC	G A T X CORP
GENERAL REINSURANCE LIFE CORP	GENERAL REASSURANCE CORP
GENERAL SWITCH CO	ELECTRO AUDIO DYNAMICS INC

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
GIDDING-JENNY	GENESCO INC
GREAT WESTERN RAILWAY CO	HUNT INTL RESOURCES CORP
GRUMMAN AMERICAN AVIATION CORP	GRUMMAN CORP
GULF INTERNATIONAL MARINE CORP	INTERNATIONAL MARINE SERVICES
HARDMAN AEROSPACE	MACRODYNE INDS INC
HARDWICKE CHEMICAL CO	MCLAUGHLIN GORMLEY KING CO
HARRISON HOUSE	SUPER VALUE STORES INC
HARSHAW CHEMICAL CO	GULF OIL CORP
HEALTH CONSULTANTS OF DENVER INC	DUN & BRADSTREET & CO
HENS & KELLEY INC	SPERRY & HUTCHINSON CO
HI-OCTANE TERMINAL CO	CRYSTAL OIL CO
HOFFMASTER CO INC	AMSTAR CORP
HOLIDAY PRESS	HOLIDAY INNS INC
HOLLY WORLD FOODS	HOLLY SUGAR CO
HUALAIAN DEVELOPMENT CO	SIGNAL COS
HUNTOON PAIGE ASSOCIATES LTD	HUNTOON PAIGE SECURITIES CORP
INCO GRAPHICS	PANAX CORP
INDUSTRIAL SERVICE CENTERS INC	EASTMET CORP
INSYTE APPLICATIONS CORP	INSYTE CORP
INSYTE DATACOM CORP	INSYTE CORP
INTERHEALTH INC	DUN & BRADSTREET & CO
INVESTMENT TRUST & ASSURANCE CO	COASTAL STATES CO
ISCO MFG CO	ISCO FINANCIAL COR
JACOBS (THE) CORP	GARCIA CORP
JAYMAX PRECISION PRODUCTS INC	VERNITRON CORP
JETSHAPES INC	CHROMALLY AMERICAN CORP

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
JFW ENTERPRISES	MEI CORP
JONES & LAUGHLIN STEEL CORP	LTV CORP
KAHN & FELDMAN INC	BATES MFG CO
KELLING NUTS	CPC INTERNATIONAL INC
KENNEDY CO	KENNEDY C J CO
KONEL CORP	NARCO SCIENTIFIC INC
KORVETTES INC	ARLEN REALTY & DEVELOPMENT CORP
LIFE EXTENSION INC	DUN & BRADSTREET & CO
LINCOLN NATIONAL LIFE INSURANCE CO	LINCOLN NATIONAL CORP
LIONEL MORSAN INC	LIONEL CORP
LITTON MEDICAL SYSTEMS	LITTON INDS
LLOYD J HARRISS PIE CO	KELLOGG CO
LOFTUS CORP	WESTERN GEAR CORP
MACLAINE WATSON & CO	ANSCHUTZ CORP
MALLORY METALLURGICAL CO	MALLORY P R & CO INC
MARINERS SAVINGS & LOAN	MARINERS FINANCIAL CORP
MARION BRICK CORP	MEDUSA CORP
MAULE INDUSTRIES INC	MIAMI CARIBE INVESTMENTS INC
MCCULLOCH OIL CORP	BLACK & DECKER MANUFACTURING CO
MCMURRY OIL TOOLS INC	GALVESTON-HOUSTON
MEDI INC	DELKA CORP
MID STATES ENTERPRISES INC	N N CORP
MID-AMERICA WEBPRESS INC	REPUBLIC CORP
MINI-MICRO SYSTEMS MAGAZINE	MODERN DATA SERVICES INC
MIRAQ BUSINESS	VENTURE RESOURCES INC
MOBILE HOME FINANCE SERVICE	SOUTHWEST FOREST INDS INC

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
MONTEREY LIFE SYSTEMS INC	BERKELEY BIO-MEDICAL PRODUCTS INC
MRS CUBBISON FOODS INC	PEPSICO INC
MUSKEGON PISTON RING CO	QUESTOR CORP
N C C FOOD CORP	NATIONAL CAN CORP
NATIONAL INVESTORS LIFE INSURANCE CO	NATIONAL FARMERS UNION INVESTMENT CO
NATIONAL PET FOOD CORP	NATIONAL CAN CO
NELMOR COMPANY INC	ENTWISTLE CO.
NEWCRAFT INC	TELECOR INC
NEWS-JOURNAL CO	DUPONT (E I) DENEMOURS & CO
NORVELL-WILDER SUPPLY CO	MAYEAUX INDS INC
NUFAC INC	P C I INDUSTRIES INC
OUTLET CO	W N Y S T V
OXFORD LABORATORIES	SEARLE G D & CO
PAN AMERICAN VAN LINES INC	M P S INTL CORP
PARENT FINANCIAL CORP	AMERICAN TITLE CORP
PEARL BREWING CO	SOUTHDOWN INC
PEARL CONTAINER CORP	SOUTHDOWN INC
PECOS VALLEY FEED YARD	GLOVER INC
PEPSI-COLA BOTTLING CO OF CINCINNATI	SECURITY INVESTMENT CO
PHILIPS ROXANE LABORATORIES INC	NORTH AMERICAN PHILLIPS CORP
PHOENIX CANDY CO INC	VALLEY FAIR ENTERPRISES INC
PINE STATE KNITWEAR CO	HANES CORP
PLASTIC RESOURCES INC	VICTORY OPTICAL INC
POLYMETRICS INC	TECHNICAL EQUITIES CORP INC
POP SHOPPES OF AMERICA INC	POP SHOPPES INTERNATIONAL INC
PREMTEC INC	CAROLINA RUBBER HOSE

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TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
PROVIDENCE WASHINGTON LIFE INS CO	GULF & WESTERN INDS
PRYOR FOUNDRY	GARDNER DENVER CO
QUESTOR EDUCATION PRODUCTS CO	QUESTOR CORP
R M R CORP	FEDDERS CORP
REED TOOL CO	BAKER INTL CORP
REGAL FOODS INC	HEUBLEIN INC
RELOCATION REALTY SERVICE CORP	STEWART INFORMATION SERVICE CORP
RESOURCES CONSERVATION CO	EL PASO CONSERVATION CO
REV-O-PAK	RAYPAK INC
RIEKES CONTAINER CO	ALCO STANDARD CORP
SCARBOROUGH & CO	G S I INC
SECURITY INSURANCE GROUP	TEXTRON INC
SMITH PIPE & STEEL CO	TRANSWAY INTERNATIONAL CORP
SOUTHERN INSTRUMENTS INC	MACKE CO
SSP TRUCK EQUIPMENT INC	SSP INDS
STANDARD PACKING CORP	SAXON INDS INC
STANLEY DRUG PRODUCTS INC	SPERTI DRUG PRODUCTS INC
STEEL CANNING CO	PIONEER FOOD INDUSTRIES INC
STEWART & STEVENSON OILTOOLS INC	STEWART & STEVENSON SERVICES INC
STP	STUDEBAKER-WORTHINGTON INC
SUSQUEHANNA CORP	STUDEBAKER WORTHINGTON INC
TESCO CHEMICALS INC	HILL BROTHERS INC
TIFFINY UNIFORMS	U S INDUSTRIES INC
TRANS-WESTERN SERVICE INDS	DYMO INDS INC
TRIMONT LAND CO	FIBREBOARD CORP
TRUE TEMPER CORP	ALLEGHENY LUDLUM INDS INC

AR_001489

TABLE 13 - PARENT-SUBSIDIARY LIST FOR OVERALL MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
TULL INTL CORP	TULL AVIATION CORP
TURBODYNE CORP	STUDEBAKER-WORTHINGTON INC
UNITED FIRST MORTGAGE CORP	HUNTOON PAIGE SECURITIES CORP
UNITED VIRGINIA FACTORS	UNITED VIRGINIA BANKSHARES INC
VALLEY DISTRIBUTING CO	SUBURBAN COS
VALLEYFAIR	VALLEY PARK INC
VITA FOOD PRODUCTS INC	B A T INDS
VITARINE	WEST CHEMICAL CO
VOLKSWAGEN INS CO	VICO CORP
WASHINGTON STAR	WASH STAR COMMUNICATIONS INC
WESTERN NEWS (THE)	Q B 3 CO
WIDEFIELD HOMES INC	SOUTHWEST FOREST INDS INC
WILLIAMS ELECTRONICS INC	XCOR INTL INC
WILMINGTON VN INC	THE HILLMAN CO
WILSON FOODS CORP	L T V CORP
WOREXCO CORP	NETTER INTL LTD
WORLD BOOK-CHILDCRAFT INTL INC	FIELD ENTERPRISES INC
WORLD-WIDE SYSTEMS	SCAN-OPTICS INC
YARCHIN A & CO	GSI
ZAPATA COAL CORP	ZAPATA CORP

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Section II

Large Merger Series

A. Introduction

This section provides tables and lists of acquisitions included in the Commission's Series, "Large Mergers in Manufacturing and Mining", for which data were publicly available. To be included in this series, a merger must involve an acquired company that is primarily engaged in manufacturing or mining and that had assets of at least $10 million at the time of acquisition. Acquisitions covered by the Large Merger Series are defined to include only those purchases or transfers of ownership of a company, subsidiary, or company division that represents a merger of two firms previously under separate control. Transfers that constitute only corporate reorganizations or the purchase of stock not leading to a majority ownership interest are excluded. Transactions involving the acquisition of a company by an individual, or group of individuals, or where an asset figure is unknown but the consideration paid is over $10 million, are not included in the series. The Large Merger Series is revised each year. The same sources are used in compiling this series as are used for the Overall Merger series. However, because all manufacturing corporations (and, since 1974, all mining corporations) with assets of $10 million or more are covered on a continuing basis by the Commission's Quarterly Financial Report series, the Large Merger Series, unlike the Overall Merger Series, is believed to be quite comprehensive.

All but four of the tables in Part B provide detail only on acquisitions for which data were publicly available. Aggregate figures for acquisitions for which the data were not publicly available are provided in footnotes to the tables. The table formats are the same as they have been in the last few years.

B. Tables - Large Merger Series

This section provides 12 tables characterizing mergers that comprise the Large Merger Series. The tables are a statistical summarization of the entire series. Tables 14 and 17 through 21 show the number of large mergers and the value of acquired assets by year, industry of acquired company, type of acquisition, asset size of acquired company, and asset size of acquiring company. Tables 15 and 22 through 24 report the assets of large acquisitions as a percentage of the assets of all manufacturing and mining corporations, the number of large acquisitions accounted for by the top 200 manufacturing corporations of 1977, the number and assets of large acquisitions compared to all large manufacturing and mining corporations, and acquired assets compared with new investment. Table 25 lists those acquisitions involving acquired assets exceeding $100 million.

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All tables except Tables 15, 16, 23, and 24 are based on mergers for which the data were publicly available. The exclusion of nonpublic acquisitions does not alter the trends reflected in the tables. As can be seen in Table 16, the extent to which data on acquisitions were publicly available is directly related to the size of the acquired company. Nearly 95 percent of acquired companies with assets of $100 million or more are included in the report for the period 1948-1978 whereas 73 percent of mergers in the smallest acquired company assets class are included. For the 30 year period, 78.6 percent of the number of large mergers representing 88.7 percent of the total acquired assets are listed in the report.

The Large Merger Series is revised each year when new data becomes available. The revised figure for the number of large mergers in 1977 is 100, one more then the previously published figure. The new preliminary number for 1978 shows an increase to 110 acquisitions, representing a 10 percent increase over the 1977 totals. Assets acquired in 1978 totalled $10.7 billion (Table 14 and Chart I) and were 18.8 percent higher than the revised figure of $9.0 billion in 1977.

Table 15 indicates the percentage the assets of large company acquisitions represent of all manufacturing and mining corporations. This figure increased from 1.07 in 1977 to 1.14 in 1978.

Table 17 shows the number of mergers and assets acquired, by the industry of the acquired company. In 1978 the nonelectrical machinery, food and kindred products, and fabricated metal products industries exhibited the highest number of acquired firms. For the period 1948-1977 companies in the industries of nonelectrical machinery, food and kindred products, and electrical machinery were the most actively acquired firms.

Conglomerate mergers increased from 69 in 1977 to 76 in 1978, representing 69.1 percent of the large merger total. The asset share accounted for by conglomerate mergers decreased from 77.7 percent in 1977 to 56.5 percent in 1978. In terms of both number and asset proportions, conglomerate mergers continue to be of importance. The number of horizontal and vertical mergers increased to 34 in 1978, representing 30.9 percent of all large mergers.

By far the greatest number of large mergers involved acquired firms that fell into the smallest ($10-$25 million) asset class (Table 20). Acquisitions of companies in this asset class accounted for nearly 35 percent of all the 1978 large mergers but only 5.8 percent of the acquired assets. The number of acquired firms in this asset class decreased by 17.4 percent over the 1977 figure. Acquisitions recorded in the $25-$50 million class showed a significant increase, while the other categories remained relatively stable.

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The largest corporations continue to be the most active acquirers of large manufacturing and mining firms (Table 21). A little more than 81 percent of all large acquisitions were made by companies with assets of $100 million or more. Companies with $1.0 billion or more in assets made up 40.9 percent of all the large acquisitions and 66.5 percent of the assets for this same period.

In 1978 the leading 200 manufacturing firms, ranked by 1977 total assets, accounted for 26.4 percent of all large acquisitions and 45.1 percent of the acquired assets (Table 22). Both the number and assets of these large acquisitions decreased slightly compared to the 1977 figures.

Table 23 shows the figures and assets of large manufacturing and mining acquisitions compared to all manufacturing and mining Corporations. As can be seen from this table, the total assets of acquired firms in manufacturing and mining for 1978 are higher than those of previous years, except the peak years of 1968 and 1969.

Table 24 shows the large merger assets acquired as a percentage of total new investment in manufacturing and mining. The preliminary 1978 figure of 16.2 percent is slightly higher than the revised 1977 figure of 15.4 percent.

C. Lists - Large Merger Series

This section provides three lists. Table 25 lists large acquisitions from 1948 to 1978 of acquired firms with assets of $100 million and over. Table 26 provides publicly available information on large mergers (acquired firms with assets of $10 million in more) for the period 1948-1978. Both of these tables are arranged by year and within year, alphabetically by acquired company name. Table 27 lists the complete names of both the acquiring and acquired companies for 1978 mergers.

NOTE: Newspaper mergers were excluded from the series prior to the first quarter of 1969 in order to be consistent with the coverage of the FTC's Quarterly Financial Report for Manufacturing Companies.

Following is a brief explanation of definitions and codes used to identify information on individual acquisitions. The items are discussed in order of appearance in Table 26.

Industrial classification code of the acquiring company (SIC)--Until 1970 the acquiring company was assigned the three-digit industry code number used by the Securities and Exchange Commission whenever possible. These numbers were based upon the Standard Industrial Classification. When a firm could not be found in the SEC directory, the SIC industry designation taken

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from Dun & Bradstreet volumes was assigned. In 1970 the SEC "Enterprise Code" numbers were substantially altered and industries were grouped together so that a close relationship between these and the SIC numbers could no longer be maintained. Thus, beginning with 1970 acquisitions, all industry code data were taken from Dun & Bradstreet, with the designated primary four-digit industry number being the one listed. When a holding company SIC (6711) was shown as the primary classification, an attempt was made to determine the main business activity of the company, although many companies are so diversified that a single designation has little meaning. Also, for some companies, there are insufficient data available on their sales at either the four or three-digit level. In these instances companies were assigned a two-digit number with an "X" used to designate the third and/or fourth digits.

Acquiring company name--This is the name of the company at the time it made the acquisition. When the acquisition was made through a subsidiary or a division, the name of the parent company is listed.

Acquiring company assets--The figures listed are the total assets of the acquiring company for the most recent available fiscal year ending prior to the acquisition. See year of asset figure, below, for further details. Figures are in millions of dollars.

Year of asset figure--The assets shown for the acquiring company were valued as of the end of the fiscal year identified in this column.

Extent of acquisition, whole or partial--The number "1" indicates a whole acquisition, which is defined as the purchase of virtually all the assets or a stock interest leading to more than a 50 percent ownership interest in the acquired company. The number "2" denotes a partial acquisition, which means that a division, a subsidiary, or some other operating unit of another company has been acquired. A stock purchase resulting in ownership of 50 percent or less was not counted as either a whole or a partial acquisition.

Industrial classification code of the acquired company--As in the case of the acquiring firm, an attempt was made to classify the acquired company into a primary four-digit industry. For firms too diversified to be classified at the four-digit level, a three-digit or a two-digit industrial classification number was assigned.

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Acquired company name--This is the name, usually an abbreviation, of the acquired company. In the case of partial acquisitions (e.g., a division), the name of the parent company from which it was acquired follows an abbreviated name of the acquired division. Thus, the 1967 partial acquisition of "BARRET/ALLIED CHM" indicates the acquisition of the Barret Roofing division of the Allied Chemical Company.

Acquired company assets--This figure is the total assets of the acquired company, or, in the case of a partial acquisition, the value of assets acquired. Again, assets are in millions of dollars.

Year of asset figure--The assets shown for the acquired company are as of the end of the fiscal year identified in this column.

How acquired--Beginning in 1966, collection of information on whether the acquisition was made for securities or for cash was begun. An "S" code in the "how acquired" column stands for "securities" and means that the acquiring company exchanged its stock, debentures, warrants, etc., for an ownership interest in the acquired firm. A "C" stands for "cash" and indicates that the transaction was made directly for cash, or that the acquiring company paid cash for a controlling (more than 50 percent) stock interest in the acquired firm, e.g., through a tender offer.

Consideration paid--This figure, which is also expressed in millions of dollars, is the publicly stated amount paid by the acquiring company in terms of securities, cash, or a combination of the two.

Date acquisition was completed--This is the date (month, day, and year) on which the acquisition was consummated.

Type of acquisition--An attempt has been made to determine the primary economic relationship between the acquiring and acquired companies. The categories, listed below, are mutually exclusive. Each acquisition is classified into the one best describing the principal relationship. This means that for acquisitions where more than one relationship existed prior to the merger, the classification indicates the relationship judged most significant economically.

> Horizontal mergers are indicated by a "1". A merger is horizontal when the companies involved produce one or more of the same, or closely related, products in the same geographic market.
>
> Vertical mergers are denoted by a "2". A merger is vertical when the two companies involved had a potential buyer-seller relationship prior to the merger.

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Conglomerate mergers are classified into three subcategories: product extension, market extension, and other.

Product extension mergers are indicated by a "3". A merger is considered to be product extension in type when the acquiring and acquired companies are functionally related in production and/or distribution but sell products that do not compete directly with one another. An example of a product extension merger would be a soap manufacturer acquiring a bleach manufacturer.

Market extension mergers are denoted by a "4". A merger is considered to be market extension in type when the acquiring and acquired companies manufacture the same products, but sell them in different geographic markets. An example of a market extension merger would be a fluid milk processor in Washington acquiring a fluid milk processor in Chicago.

Other conglomerate mergers are indicated by a "5". This category involves the consolidation of two essentially unrelated firms. An example would be a shipbuilding company buying an ice cream manufacturer.

Net profit of the acquired company--This figure is the full year's net profit after taxes for the last fiscal year prior to acquisition. Profits of the acquired company are expressed in millions of dollars.

Table 27 is included in order to make clearer the abbreviated names used in Table 26 for the large 1978 acquisitions. The list is arranged alphabetically by acquired company.

The large mergers for 1978 are also included in the Overall Merger Series and parent-subsidiary list in Section I.

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Table 14

Large Acquisitions in Manufacturing and Mining, by Year, 1948-1978

Year	Number of Acquisitions	Assets 1/ ($ Millions)
1948	4	63.2
1949	6	89.0
1950	5	186.3
1951	9	201.5
1952	16	373.8
1953	23	779.1
1954	37	1,444.5
1955	67	2,165.7
1956	53	1,882.0
1957	17	1,202.3
1958	42	1,070.6
1959	49	1,431.1
1960	51	1,535.1
1961	46	2,003.3
1962	65	2,251.9
1963	54	2,535.8
1964	73	2,302.9
1965	64	3,253.7
1966	76	3,329.1
1967	138	8,258.5
1968	174	12,580.0
1969	138	11,043.2
1970	91	5,904.3
1971	59	2,459.9
1972	60	1,885.5
1973	64	3,148.8
1974	62	4,466.4
1975	59	4,950.5
1976	81	6,279.2
1977	100	9,004.2
1978 2/	110	10,705.5
Total	1,923	108,786.9

1/ Acquired firms with assets of $10 million or more.

2/ Figures for 1978 are preliminary.

NOTE: Not included in above tabulation are companies for which data are not publicly available. There were 523 such companies with assets of $13,802.9 million for period 1948-1978.

SOURCE: Bureau of Economics, Federal Trade Commission.

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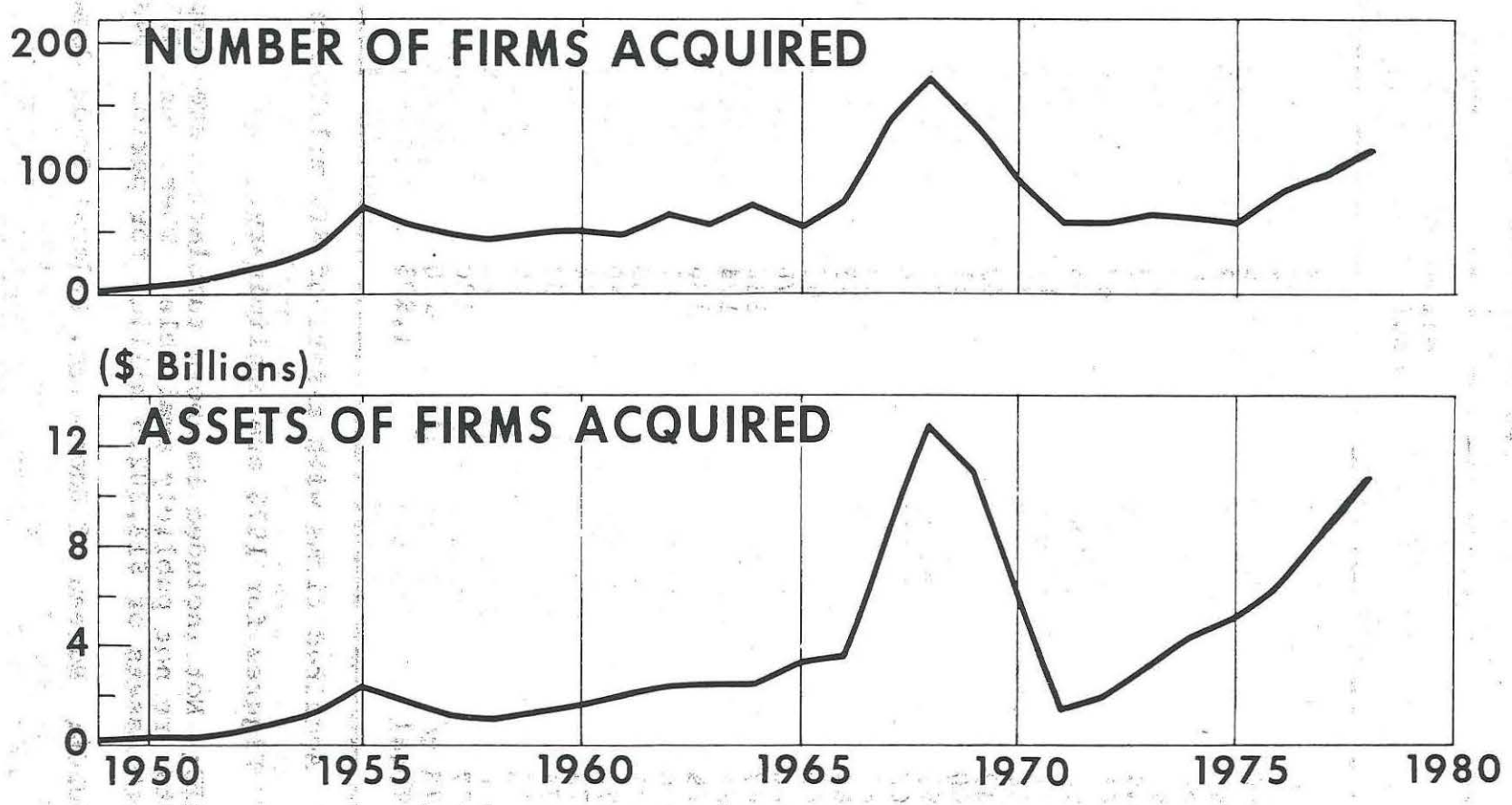
CHART 1
LARGE* MANUFACTURING AND MINING FIRMS ACQUIRED 1948—1978



*Firms with assets of $10 million or more.

SOURCE: Bureau of Economics, Federal Trade Commission.

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Table 15

Total Assets of all Large Manufacturing and Mining Companies Acquired as a Percentage of Total Assets of all Manufacturing and Mining Corporations, 1948-1978

Year	All Manufacturing & Mining Corporations [1] Total Assets ($ Millions)	Large [2] Manufacturing & Mining Acquisitions Total Assets ($ Millions)	Percentage
1948	109,374	114.4	0.10
1949	118,252	89.0	0.08
1950	122,119	186.3	0.15
1951	142,840	201.5	0.14
1952	171,359	385.3	0.22
1953	178,728	795.1	0.44
1954	181,980	1,479.0	0.81
1955	189,667	2,227.3	1.17
1956	210,668	2,110.5	1.00
1957	228,593	1,427.7	0.62
1958	233,635	1,173.1	0.50
1959	246,869	1,712.2	0.69
1960	265,030	1,734.1	0.65
1961	275,658	2,234.9	0.81
1962	292,774	2,660.7	0.91
1963	307,136	3,187.1	1.04
1964	323,311	2,576.5	0.80
1965	346,639	3,721.9	1.07
1966	386,640	4,380.1	1.13
1967	427,133	8,955.7	2.10
1968	468,711	13,759.2	2.94
1969	526,129	12,219.2	2.32
1970	578,019	6,601.1	1.14
1971	610,296	3,140.5	0.51
1972	653,751	2,670.8	0.41
1973	718,768	3,558.8	0.50
1974	738,913	5,118.9	0.69
1975	791,892	5,528.0	0.70
1976	858,588	6,903.4	0.80
1977	933,613	9,967.1	1.07
1978 [3]	1,031,577	11,770.4	1.14

1/ Figures for manufacturing and mining corporate assets have been revised to reflect the use of First Quarter QFR.

2/ Acquired firms with assets of $10 million or more.

3/ Figures for 1978 are preliminary.

SOURCE: Corporate manufacturing assets obtained from Quarterly Financial Reports. Totals for mining derived from IRS Statistics of Income for 1966 through 1974, and from Quarterly Financial Reports thereafter. Bureau of Economics, Federal Trade Commission.

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Table 16

Comparison of all Large Acquisitions Recorded and Coverage of Acquisitions Listed in Report, by Asset Size Class of Acquired Company, 1948-1978

Asset Size of Acquired Company (Millions)	Total Large Acquisitions		Acquisitions Listed In Report		Acquisitions Not Listed In Report[1/]		Listed Acquisitions as a Percent of Total	
	No.	Assets (Millions)	No.	Assets (Millions)	No.	Assets (Millions)	No.	Assets (Percent)
$10 - $25	1,383	$21,151.8	1,010	$15,613.7	373	$5,538.1	73.0	73.8
$25 - $50	528	18,312.8	434	15,194.0	94	3,118.8	82.2	83.0
$50 - $100	290	20,005.0	247	17,187.0	43	2,818.0	85.2	85.9
$100 and over	245	63,120.2	232	60,792.2	13	2,328.0	94.7	96.3
Total	2,446	122,589.8	1,923	108,786.9	523	13,802.9	78.6	88.7

1/ Acquisitions of companies for which data were not publicly available.

SOURCE: Bureau of Economics, Federal Trade Commission.

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Table 17

Number and Assets of Large Manufacturing and Mining Companies Acquired
by Industry of Acquired Company, 1978 Compared with 1948-1977

Industry [1] of Acquired Company	Acquired Companies 1948-1977 Number	Acquired Companies 1948-1977 Percent*	Acquired Companies 1978 Number	Acquired Companies 1978 Percent*	Assets of Acquired Companies [2] 1948-1977 $ Millions	Assets of Acquired Companies [2] 1948-1977 Percent*	Assets of Acquired Companies [2] 1978 $ Millions	Assets of Acquired Companies [2] 1978 Percent*
Mining	147	8.1	8	7.3	11,227.6	11.4	641.6	6.0
Food and Kindred Products	177	9.8	14	12.7	8,370.5	8.5	1,077.0	10.1
Tobacco Manufactures	5	0.3	0	0.0	580.2	0.6	0.0	0.0
Textile Mill Products	85	4.7	1	0.9	3,313.5	3.4	27.6	0.3
Apparel and Finished Fabric Products	42	2.3	5	4.6	2,725.4	2.8	121.3	1.1
Lumber and Wood Products, Except Furniture	35	1.9	1	0.9	1,039.1	1.1	10.4	0.1
Furniture and Fixtures	21	1.2	1	0.9	526.9	0.5	276.8	2.6
Paper and Allied Products	105	5.8	5	4.6	5,859.8	6.0	1,109.6	10.4
Printing, Publishing and Allied Industries	61	3.4	4	3.6	1,810.2	1.8	116.9	1.1
Chemicals and Allied Products	147	8.1	9	8.2	9,173.9	9.4	1,550.6	14.5
Petroleum Refining and Related Industries	50	2.8	2	1.8	8,123.4	8.3	110.6	1.0
Rubber and Miscellaneous Plastics Products	32	1.8	4	3.6	679.6	0.7	237.8	2.2
Leather and Leather Products	15	0.8	2	1.8	288.6	0.3	55.6	0.5
Stone, Clay, Glass and Concrete Products	73	4.0	4	3.6	3,608.8	3.7	311.2	2.9
Primary Metal Industries	117	6.4	2	1.8	8,438.9	8.6	1,782.8	16.7
Fabricated Metal Products, Except Machinery and Transportation Equip.	126	7.0	10	9.1	3,877.1	4.0	988.3	9.2
Machinery, Except Electrical	250	13.8	16	14.6	11,622.4	11.8	914.3	8.5
Electrical Machinery, Equipment, and	148	8.2	9	8.2	7,080.7	7.2	691.4	6.5
Transportation Equipment	91	5.0	4	3.6	7,123.4	7.3	373.1	3.5
Instruments; Photographic and Optical Goods; Watches and Clocks	48	2.6	4	3.6	1,575.5	1.6	183.7	1.7
Miscellaneous Manufacturing Industries	38	2.1	5	4.6	1,035.9	1.1	124.9	1.2
Total	1,813	100.0	110	100.0	98,081.4	100.0	10,705.5	100.0

1/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.
2/ Acquired firms with assets of $10 million or more.
* Sums may not always add due to rounding.
NOTE: Not included in above tabulation are companies for which data were not publicly available. There were 489 such companies with assets of $12,738.0 million for period 1948-1977 and 34 companies with assets of $1,064.9 million in 1978.
SOURCE: Bureau of Economics, Federal Trade Commission.

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Table 18

Large Acquisitions in Manufacturing and Mining by Type of Acquisition, 1978, Compared with 1977, 1948-1977 and 1967-1977

Type of Acquisition	Number				Assets[1] ($ Millions)			
	1948-1977	1967-1977	1977	1978	1948-1977	1967-1977	1977	1978[2]
Horizontal	304	141	26	21	15,236.6	9,684.0	1,183.9	3,036.6
Vertical	183	73	4	13	8,474.7	4,031.9	752.8	1,619.3
Conglomerate	1,326	812	70	76	74,370.1	56,264.6	70,067.5	6,049.6
Product Extension	791	448	38	37	33,707.7	22,709.9	2,863.1	2,999.0
Market Extension	76	36	0	0	6,379.9	3,989.5	0.0	0.0
Other	459	328	32	39	34,282.5	29,565.2	4,204.4	3,050.6
Total	1,813	1,026	100	110	98,081.4	69,980.5	9,004.2	10,705.5

1/ Acquired firms with assets of $10 million or more.

2/ Figures for 1978 are preliminary.

NOTE: Not included in above tabulation are companies for which data were not publicly available. There were 489 such companies with assets of $12,738.0 million for period 1948-1977, 303 companies with assets of $8,442.2 million for period 1967-1977, 25 companies with assets of $962.9 million in 1977 and 34 companies with assets of $1,064.9 million in 1978.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001502

Table 19

Large Acquisitions in Manufacturing and Mining by Type of Acquisition, 1978 Compared with 1977, 1948-1977 and 1967-1977

Percent*

Type of Acquisition	Number				Assets			
	1948-1977	1967-1977	1977	1978	1948-1977	1967-1977	1977	1978
Horizontal	16.8	13.7	26.0	19.1	15.5	13.8	13.1	28.4
Vertical	10.1	7.1	4.0	11.8	8.6	5.8	8.4	15.1
Conglomerate	73.1	79.2	70.0	69.1	75.8	80.4	78.5	56.5
Product Extension	43.6	43.7	38.0	33.6	34.4	32.5	31.8	28.0
Market Extension	4.2	3.5	0.0	0.0	6.5	5.7	0.0	0.0
Other	25.3	32.0	32.0	35.5	35.0	42.2	46.7	28.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Sums may not always add due to rounding.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001503

Table 20

Number, Assets, and Percentages of Large Manufacturing and Mining Companies Acquired, by Asset Size of Acquired Company, 1978 Compared with 1977 and 1948-1977

Asset Size of Acquired Company ($ Millions)	Acquired Companies: Number			Acquired Companies: Percent*			Assets of Acquired Companies ($ Millions)			Assets of Acquired Companies: Percent*		
	Average 1948-1977	1977	1978	Average 1948-1977	1977	1978	Average 1948-1977	1977	1978	Average 1948-1977	1977	1978
$10 to $25	32.4	46	38	53.6	46.0	34.6	$ 499.6	$ 716.7	$ 625.3	15.3	8.0	5.8
$25 to $50	13.5	17	29	22.3	17.0	26.4	473.8	583.3	979.2	14.5	6.5	9.2
$50 to $100	7.7	17	16	12.7	17.0	14.6	537.1	1,236.6	1,073.0	16.4	13.7	10.0
$100 to $250	4.7	12	19	7.8	12.0	17.3	683.9	1,696.8	2,988.3	20.9	18.8	27.9
$250 to $1,000	1.9	7	7	3.1	7.0	6.4	794.8	2,719.9	3,381.7	24.3	30.2	31.6
$1,000 and over	0.2	1	1	0.3	1.0	0.9	280.2	2,050.9	1,658.0	8.6	22.8	15.5
Total	60.4	100	110	100.0	100.0	100.0	3,269.4	9,004.2	10,705.5	100.0	100.0	100.0

* Sums may not always add due to rounding.

NOTE: Not included in above tabulation are companies for which data were not publicly available. There were 489 such companies with assets of $12,738.0 million for period 1948-1977, 25 companies with assets of $962.9 million in 1977, and 34 companies with assets of $1,064.9 million in 1978.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001504

Table 21

Number, Assets, and Percentages of Large Manufacturing and Mining Companies Acquired, by Asset Size of Acquiring Company, 1978 Compared with 1977 and 1948-1977

Asset Size of Acquiring Company ($ Millions)	Acquired Companies: Number			Acquired Companies: Percent*			Assets of Acquired Companies 1/ ($ Millions)			Assets of Acquired Companies 1/: Percent*		
	Average 1948-1977	1977	1978	Average 1948-1977	1977	1978	Average 1948-1977	1977	1978	Average 1948-1977	1977	1978
Unknown and under $10	3.0	9	11	5.0	9.0	10.0	$ 135.3	$ 366.6	$ 403.1	4.1	4.1	3.8
$10 to $25	4.2	9	0	6.9	9.0	0.0	84.5	216.3	0.0	2.6	2.4	0.0
$25 to $50	6.0	4	6	10.0	4.0	5.5	161.6	140.7	110.8	5.0	1.6	1.0
$50 to $100	8.3	8	3	13.7	8.0	2.7	244.5	182.5	217.3	7.5	2.0	2.0
$100 to $250	12.5	9	10	20.7	9.0	9.1	464.9	246.3	466.6	14.2	2.7	4.4
$250 to $1,000	17.2	26	35	28.5	26.0	31.8	1,248.4	2,203.6	2,386.2	38.2	24.5	22.3
$1,000 and over	9.2	35	45	15.2	35.0	40.9	930.2	5,648.2	7,121.5	28.5	62.7	66.5
Total	60.4	100	110	100.0	100.0	100.0	3,269.4	9,004.2	10,705.5	100.0	100.0	100.0

1/ Acquired firms with assets of $10 million or more.

* Sums may not always add due to rounding.

NOTE: Not included in above tabulation are companies for which data were not publicly available. There were 489 such companies with assets of $12,738.0 million for period 1948-1977, 25 companies with assets of $962.9 million in 1977, and 34 companies with assets of $1,064.9 million in 1978.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001505

Table 22

Large Acquisitions in Manufacturing and Mining by Firms Ranked Among the 200 Largest Manufacturing Firms in 1977, by Year, 1948-1978

Year	Total Large Acquisitions 1/		Large Acquisitions by 200 Largest Firms 2/		Percent of Total Large Acquisitions by 200 Largest Firms	
	Number	Assets (Millions)	Number	Assets (Millions)	Number	Assets
1948	4	$ 63.2	4	$ 63.2	100.0	100.0
1949	6	89.0	4	45.3	66.7	50.9
1950	5	186.3	1	20.0	20.0	10.7
1951	9	201.5	6	160.1	66.7	79.5
1952	16	373.8	7	195.0	43.8	52.2
1953	23	779.1	10	457.9	43.5	58.8
1954	37	1,444.5	13	784.0	35.1	54.3
1955	67	2,165.7	27	1,071.6	40.3	49.5
1956	53	1,882.0	29	1,276.3	54.7	67.8
1957	47	1,202.3	18	669.2	38.3	55.7
1958	42	1,070.6	17	624.8	40.5	58.4
1959	49	1,431.1	17	713.2	34.7	49.8
1960	51	1,535.1	21	789.4	41.2	51.4
1961	46	2,003.3	20	1,454.9	43.5	72.6
1962	65	2,251.9	24	1,018.4	36.9	45.2
1963	54	2,535.8	31	1,858.7	57.4	73.3
1964	73	2,302.9	32	1,075.7	43.8	46.7
1965	64	3,253.7	23	1,815.7	35.9	55.8
1966	76	3,329.1	26	1,804.2	34.2	54.2
1967	138	8,258.5	50	4,755.4	36.2	57.6
1968	174	12,580.0	78	8,006.0	44.8	63.6
1969	138	11,043.2	47	5,697.5	34.1	51.6
1970	91	5,904.3	31	3,302.5	34.1	55.9
1971	59	2,459.9	17	985.8	28.8	40.1
1972	60	1,885.5	23	973.2	38.3	51.6
1973	64	3,148.8	26	1,799.2	40.6	57.1
1974	62	4,466.4	25	2,148.1	40.3	48.1
1975	59	4,950.5	19	2,592.0	32.2	52.4
1976	81	6,279.2	21	2,809.1	25.9	44.7
1977	100	9,004.2	32	5,236.9	32.0	58.2
1978 3/	110	10,705.5	29	4,830.5	26.4	45.1
Total	1,923	108,786.9	728	59,033.8	37.9	54.3

1/ Acquired firms with assets of $10 million or more.
2/ Ranked by 1977 total assets.
3/ Figures for 1978 are preliminary.
NOTE: Not included in above tabulation are companies for which data were not publicly available. There were 523 such companies with assets of $13,802.9 million for period 1948-1978, of which 167 companies with assets of $5,160.7 million were acquisitions by the 200 largest firms.
SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001506

Table 23

Large Manufacturing and Mining Acquisitions
Compared to all Large Manufacturing and Mining Corporations,
1967-1978

Year	Manufacturing & Mining Corporations Over $10 Million in Asset Size			Large Acquisitions[1/]		
	Total Assets ($ Millions)	Number of Corporations	Average Asset Size ($ Millions)	Total Assets ($ Millions)	Number of Companies	Average Asset Size ($ Millions)
1967	$357,368	2,659	$134.4	$ 8,955.7	174	$51.5
1968	398,983	2,651	150.5	13,759.2	225	61.2
1969	451,259	2,803	161.0	12,219.2	175	69.8
1970	502,877	2,942	170.9	6,601.1	109	60.6
1971	537,781	2,977	180.6	3,140.5	87	36.1
1972	574,156	3,150	182.3	2,670.8	87	30.7
1973	627,672	3,405	184.3	3,558.8	83	42.9
1974	660,101	3,845	171.7	5,118.9	83	61.7
1975	733,585	3,946	185.9	5,528.0	72	76.8
1976	808,204	4,061	199.0	6,903.4	109	63.3
1977	896,561	4,344	206.4	9,976.6	125	79.8
1978[2/]	1,013,809	4,527	223.9	11,770.4	144	81.7
Change	1967-1978	1,868	89.5		-30	30.2
Percent Change		70.3	66.6		-17.2	58.6

1/ Acquired firms with assets of $10 million or more.

2/ Figures for 1978 are preliminary.

SOURCE: Corporate manufacturing assets and number of corporations obtained from Quarterly Financial Reports; totals for mining derived from IRS Statistics of Income for 1966 through 1974, and from Quarterly Financial Reports thereafter. Bureau of Economics, Federal Trade Commission.

AR_001507

Table 24

Assets of Large Manufacturing and Mining Companies Acquired Compared with New Investment in Manufacturing and Mining, by Year, 1948-1978

Year	New Investment[1] (Billions of Dollars)	Acquired Assets[2] (Billions of Dollars)	Acquired Assets as Percent of New Investment
1948	$ 9.94	$ .114	1.1
1949	8.00	.089	1.1
1950	8.23	.186	2.3
1951	11.82	.202	1.7
1952	12.66	.385	3.0
1953	13.11	.795	6.1
1954	12.52	1.479	11.8
1955	13.20	2.227	16.9
1956	17.04	2.111	12.4
1957	18.20	1.428	7.8
1958	13.81	1.173	8.5
1959	14.13	1.712	12.1
1960	16.39	1.734	10.6
1961	15.62	2.235	14.3
1962	16.46	2.661	16.2
1963	17.49	3.187	18.2
1964	20.68	2.577	12.5
1965	24.90	3.722	14.9
1966	29.82	4.380	14.7
1967	30.16	8.956	29.7
1968	30.00	13.759	45.9
1969	33.54	12.219	36.4
1970	33.84	6.601	19.5
1971	32.15	3.141	9.8
1972	33.77	2.671	7.9
1973	40.75	3.559	8.7
1974	49.19	5.119	10.4
1975	51.74	5.528	10.7
1976	56.48	6.903	12.2
1977	64.66	9.967	15.4
1978[3]	72.49	11.770	16.2

1/ Total expenditures for new plant and equipment of manufacturing and mining firms.

2/ Acquired firms with assets of $10 million or more.

3/ Figures for 1978 are preliminary.

SOURCE: Economic Report of the President, January 1979, p. 235, and Bureau of Economics, Federal Trade Commission.

AR_001508

TABLE 25 - LIST OF ACQUISITIONS OF COMPANIES WITH ASSETS REPORTED IN PUBLIC SOURCES OF $100 MILLION OR MORE, BY YEAR OF ACQUISITION, 1948-1978

YEAR	ACQUIRING COMPANY	ACQUIRED COMPANY	ASSETS ($MILLIONS)
1952	MATHIESON CHEM	SQUIBB,E.R.& SONS	106.8
1953	KAISER-FRAZER	WILLYS-OVERLAND MO	120.1
1954	GENL DYNAMICS	CONSOL VULTEE AIR	147.5
1954	NASH KELVINATOR	HUDSON MOTOR CAR	108.0
1954	MATHIESON CHEMICL	OLIN INDUSTRIES	232.5
1954	STUDEBAKER CORP	PACKARD MOTOR CO	135.9
1955	MONSANTO CHEMICAL	LION OIL CO	147.6
1955	SUNRAY OIL CO	MID-CONT PETROLEUM	186.3
1955	SPERRY CORP	REMINGTON RAND	207.7
1956	CONTINENTAL CAN	GAIR,ROBERT,CO INC	134.9
1956	GULF OIL CORP	WARREN PETROLEUM	163.9
1957	AMERICAN CAN CO	MARATHON CORP	160.3
1958	ARMCO STEEL CORP	NATL SUPPLY CO	154.7
1959	GENL TEL & ELECTR	SYLVANIA ELECTRIC	264.8
1960	STANDARD OIL N J	MONTEREY OIL CO	102.2
1960	HUNT FOODS & IND	WESSN OIL & SNOWDR	100.8
1961	LING-TEMCO ELECTR	CHANCE VOUGHT AIR	101.6
1961	MONSANTO CHEMICAL	CHEMSTRAND CORP	253.0
1961	AMERICAN-MARIETTA	MARTIN,GLENN L.CO	246.6
1961	FORD MOTOR CO	PHILCO CORP	242.3
1961	STANDARD OIL CAL	STANDARD OIL KY	141.9
1962	MERGENTHALER LINO	ELECTRIC AUTOLITE	135.4
1962	CLETRAC CORP	HESS COMPANIES	109.8
1962	NEWMONT MINING	MAGMA COPPER	143.6
1962	ALLIED CHEMICAL	UNION TEX NAT GAS	165.2
1963	F M C CORP	AMER VISCOSE CORP	334.8
1963	GULF OIL CORP	SPENCER CHEMICAL	123.3
1963	CITIES SERVICE CO	TENNESSEE CORP	100.0
1963	EATON MFG CO	YALE & TOWNE MFG	114.1
1964	INTERLAKE IRON	ACME STEEL	134.4
1964	KERN COUNTY LAND	CASE J I CO	168.7
1964	CELANESE CORP	CHAMPLIN OIL REFNG	142.4
1964	CONTL OIL CORP	DELHI-TAYLOR OIL (1)	104.8

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TABLE 25 (CONT.)

YEAR	ACQUIRING COMPANY	ACQUIRED COMPANY	ASSETS ($MILLIONS)
1964	SIGNAL OIL & GAS	GARRETT CORP	120.0
1965	ARMOUR & CO	BALDWIN LIMA HMLTN	133.7
1965	PHIL & READING	LONE STAR STEEL CO	156.0
1965	BOISE CASCADE	MINN & ONTARIO PAP	110.7
1965	GULF & WESTERN	NEW JERSEY ZINC	143.0
1965	TENN GAS TRANSM	PACK CORP OF AMER	126.5
1965	UNION OIL OF CAL	PURE OIL CO	766.1
1966	CONTINENTAL OIL	CONSOLIDATION COAL	446.1
1966	BROWN CO	K V P SUTHERLAND	110.2
1966	ATLANTIC REFINING	RICHFIELD OIL	499.6
1966	ATLAS CREDIT CORP	SUNSET INTL PETROL	108.9
1966	AMER. TOBACCO	SUNSHINE BISCUIT	109.5
1967	WARNER LAMBERT PH	AMERICAN OPTICAL	111.2
1967	KERR-MCGEE CORP	AMERICAN POTASH	117.7
1967	GLEN ALDEN CORP	B V D CO	113.2
1967	EL PASO NAT GAS	BEAUNIT CORP	175.9
1967	U S PLYWOOD CORP	CHAMPION PAPERS	359.0
1967	MCDONNELL CO	DOUGLAS AIRCRAFT	850.2
1967	S C M CORP	GLIDDEN CO	198.7
1967	DRESSER IND INC	HARBISON-WALKER	151.0
1967	TENNECO INC	KERN COUNTY LAND (2)	435.3
1967	F M C CORP	LINK-BELT	144.0
1967	SIGNAL OIL & GAS	MACK TRUCKS	303.0
1967	HUNT FOODS & IND	MCCALL CORP	149.2
1967	A M K CORP	MORRELL JOHN	109.2
1967	ETHYL CORP	OXFORD PAPER	119.2
1967	CITY INVESTING CO	RHEEM MFG CO	108.8
1967	NORTH AMER AVIATI	ROCKWELL-STANDARD	454.2
1967	GENL ANILINE&FILM	RUBEROID CO	127.2
1967	DIAMOND ALKALI CO	SHAMROCK OIL & GAS	173.7
1967	GULF & WESTERN	SO PUERTO RICO SUGAR	122.1
1967	GLEN ALDEN CORP	STANLEY WARNER	157.3
1967	STUDEBAKER CORP	WAGNER ELECTRIC	126.7
1967	SCOTT PAPER CO	WARREN S D	102.8
1967	LING TEMCO VOUGHT	WILSON & CO	196.2
1967	STUDEBAKER CORP	WORTHINGTON CORP	296.6
1968	ILLINOIS CENTRAL	ABEX CORP	187.4
1968	SQUIBB E R & SONS	BEECH-NUT LIFE SAV	172.2
1968	WHITE CONSOL IND	BLAW-KNOX CO	129.0
1968	GULF & WESTERN	BLISS E W CO	119.7
1968	GULF & WESTERN	BROWN CO	196.1

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TABLE 25 (CONT.)

YEAR	ACQUIRING COMPANY	ACQUIRED COMPANY	ASSETS ($MILLIONS)
1968	UNIVSL OIL PRODTS	CALUMET & HECLA	101.8
1968	HUNT FOODS & IND	CANADA DRY CORP	105.5
1968	GULF & WESTERN	CONSOLIDATED CIGAR	127.4
1968	MONTGOMERY WARD	CONTAINER CORP AM	397.4
1968	I T & T	CONTINENTAL BAKING	186.5
1968	COMMERCIAL CREDIT	CONTROL DATA(MINN)	465.4
1968	COLT INDUSTRIES	CRUCIBLE STEEL CO	258.5
1968	SINGER CO	GENL PRECISION	322.7
1968	COLO MILL & ELEVA	GREAT WESTERN SUGR	125.5
1968	OCCIDENTAL PETRLM	HOOKER CHEMICAL	366.5
1968	OCCIDENTAL PETRLM	ISLAND CREEK COAL	115.2
1968	LING-TEMCO-VOUGHT	JONES & LAUGHLIN	1092.8
1968	OWENS-ILLINOIS	LILLY-TULIP CUP	108.3
1968	LOEWS THEATRES	LORILLARD P CORP	375.3
1968	TENNECO CORP	NEWPORT NEWS SHIP	139.3
1968	KENNECOTT COPPER	PEABODY COAL CO	315.6
1968	NORTHWEST INDUS	PHIL & READING	318.6
1968	WHEELING STEEL	PITTSBURGH STEEL	193.6
1968	I T & T	RAYONIER INC	296.3
1968	TELEDYNE INC	RYAN AERONAUTICAL	142.8
1968	GLEN ALDEN CORP	SCHENLEY IND INC	570.7
1968	SUN OIL	SUNRAY D X OIL CO	749.0
1968	GULF & WESTERN	UNIVERSAL AMERICAN	101.1
1968	AMERICAN STANDARD	WESTNGHSE AIR BRAKE	302.7
1968	MEAD CORP	WOODWARD CORP	128.0
1969	GENL HOST CORP	ARMOUR & CO	560.5
1969	AMER METAL CLIMAX	AYRSHIRE COLLIERIE	115.4
1969	INTL UTILITIES	BREWER C & CO LTD	112.6
1969	CRANE CO	C F & I STEEL CORP	235.6
1969	GOULD-NATL BATTRY	CLEVITE CORP	142.1
1969	US PHILIPS TRUST	CONSOL ELECT INDS	246.4
1969	RAPID AMERICAN	GLEN ALDEN CORP	1252.5
1969	GOODRICH B F	GOODRICH-GULF CHEM	101.5
1969	I T & T	GRINNELL CORP	184.5
1969	MARTIN MARIETTA	HARVEY ALUMINUM	277.7
1969	AMERADA PETROLEUM	HESS OIL & CHEM	491.5
1969	NO AMER ROCKWELL	MIEHLE-GOSS-DEXTER	169.0
1969	NORWICH PHARMACAL	MORTON INTL INC	163.0
1969	DIAMOND SHAMROCK	PICKANDS MATHER CO	113.9
1969	XEROX CORP	SCIEN DATA SYSTEMS	113.3
1969	N V F CO	SHARON STEEL CORP	190.3
1969	ATLANTIC RICHFIEL	SINCLAIR OIL CORP	1851.3
1969	INGERSOLL RAND	TORRINGTON CO	125.1
1969	JIM WALTER CORP	U S PIPE & FOUNDRY	185.0

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TABLE 25 (CONT.)

YEAR	ACQUIRING COMPANY	ACQUIRED COMPANY	ASSETS ($MILLIONS)
1969	BADISCHE ANILIN	WYANDOTTE CHEMICAL	156.2
1969	LYKES CORP	YOUNGSTWN SHT & TUBE	1026.7
1970	PLESSEY CO LTD	ALLOYS UNLIMITED	104.6
1970	BENDIX CORP	AMER FOREST PRODS	113.2
1970	GREYHOUND CORP	ARMOUR/GENL HOST	607.2
1970	STANDARD OIL OHIO	BRIT PETR HOLD/B P	657.3
1970	UNION PACIFIC R R	CHAMPLIN-PONT/CELA	200.0
1970	CLEVELAND-CLIFFS	DETROIT STEEL CORP	145.9
1970	HONEYWELL	GE COMPUTER/GEN EL	547.7
1970	PECHINEY (FRANCE)	HOWMET CORP	244.3
1970	AMER MOTORS CORP	KAISER JEEP/KAISER	168.9
1970	NESTLE ALIMENTANA	LIBBY MCNEIL LIBBY	267.0
1970	GREAT NO PAPER CO	NEKOOSA-EDWARDS PA	152.8
1970	WARNER LAMBERT PH	PARKE DAVIS & CO	399.2
1971	IMPERIAL CHEM IND	ATLAS CHEMICAL IND	139.6
1971	U S SMELT RFG MNG	FED PACIFIC ELECTR	135.0
1971	NATL STEEL CORP	GRANITE CITY STEEL	312.7
1971	OMEGA-ALPHA INC	OKONITE CO/LTV	174.9
1971	CHARTER CO	SIGNAL COMPLEX(SIG	114.2
1972	WILLIAMS COS	CONT OIL/PLANT FOOD	125.5
1972	COLGATE-PALMOLIVE	KENDALL CO	194.4
1972	JIM WALTER CORP	PANACON/RAPID AMER	106.0
1972	PEPSICO INC	RHEINGOLD CORP	101.4
1972	FEDERAL PAPER BD	RIEGEL (PAPER DIV)	102.9
1972	U S FILTER CORP	SLICK CORP	120.7
1973	RED RIVR VAL SUGR	AMER CRYSTAL SUGAR	114.8
1973	ROCKWELL INTL	COLLINS RADIO CO	278.9
1973	COASTAL STATE GAS	COLO INTERSTATE	376.2
1973	FRUEHAUF CORP	KELSEY-HAYES CO	273.8
1973	NORTON SIMON INC	MAX FACTOR & CO	175.7
1973	NO AMER ROCKWELL	ROCKWELL MFG CO	224.6
1973	TIME INC	TEMPLE INDS INC	118.8
1974	ROCKWELL INTL	ADMIRAL CORP	275.9
1974	INTL NICKEL (CANA	E S B INC	315.1
1974	UNITED AIRCRAFT	ESSEX INTL INC	464.8
1974	HOECHST FARB(GERM	FOSTER GRANT/UNITD	118.5
1974	THYSSEN-BORN(NETH	INDIAN HEAD INC	328.9
1974	DRESSER IND INC	JEFFREY GALION INC	206.4
1974	PHILIPS LAMP (NETH	MAGNAVOX CO	330.7
1974	MATSUSHITA (JAPAN	MOTOROLA(COLOR TV)	150.6

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TABLE 25 (CONT.)

YEAR	ACQUIRING COMPANY	ACQUIRED COMPANY	ASSETS ($MILLIONS)
1974	KNIGHT NEWSPAPERS	RIDDER PUBLICATONS	163.8
1974	BURMAH OIL (ENG)	SIGNAL OIL&GAS/SIG	340.1
1974	MURPHY OIL CORP	STORM DRILL&MARINE	101.4
1975	BABCOCK WILCX LTD	AMER CHAIN & CABLE	235.1
1975	INTL MINRLS & CHM	COMMERCIAL SOLVNTS	153.8
1975	IMETAL SOCIETE	COPPERWELD CORP	158.3
1975	COLT INDUSTRIES	GARLOCK INC	113.0
1975	INTERNATL PAPER	GENL CRUDE OIL	108.4
1975	ESMARK INC	INTL PLAYTX/RAP-AM	182.0
1975	GULF & WESTERN	KAYSER-ROTH CORP	402.0
1975	UNITED TECHNOL	OTIS ELEVATOR CO	764.2
1975	BAKER OIL TOOLS	REED TOOL CO	125.8
1975	EMHART CORP	U S M CORP	604.3
1975	SIGNAL COMPANIES	UNIVERSAL OIL PROD	443.1
1976	HERALD CO/NEWHOUS	BOOTH NEWSPAPERS	121.5
1976	G L CORP/MARMON	CERRO CORP	720.7
1976	ST GOBAIN-MOUSSON	CERTAIN-TEED CORP	428.9
1976	MARATHON OIL CO	ECOL/ENERY CORP LA	223.9
1976	GOULD INC	I-T-E IMPERIAL	384.3
1976	D P F INC	INTERSTATE BRANDS	110.7
1976	LOUISIANA-PACIFIC	KETCHIKAN PULP CO	105.6
1976	GULF & WESTERN	MARQUETTE CO	155.4
1976	NORTHWEST INDS	MICRODOT INC	140.3
1976	MARATHON OIL CO	PAN OCEAN OIL CORP	139.5
1976	COLGATE-PALMOLIVE	RIVIANA FOODS INC	269.0
1976	LEAR SIEGLER	ROYAL INDS INC	150.9
1976	GENL CABLE CORP	SPRAGUE ELECTRIC	141.9
1976	GENL ELECTRIC CO	UTAH INTL INC	1130.8
1977	ATLANTIC RICHFIEL	ANACONDA CO	2050.9
1977	I T & T CORP	CARBON INDS INC	105.3
1977	KENNECOTT COPPER	CARBORUNDUM CO	532.2
1977	ALLEG LUD INDS	CHEMETRON CORP	420.3
1977	NORTHWEST INDS	COCA-COLA L A	104.4
1977	LOUISANA LND&EXPL	COPPER RANGE CO	150.5
1977	BEATRICE FOODS CO	HARMAN INTL INDS	103.1
1977	FIAT S P A	HESSTON CORP	148.7
1977	CHAMPION INTL	HOERNER-WALDORF	365.7
1977	CARRIER CORP	INMONT CORP	334.3
1977	GULF OIL CORP	KEWANEE INDS INC	389.0
1977	PORTLAND-ZEMENT	LEHIGH PORTLAND CE	149.0
1977	BAYER A G	MILES LAB INC	381.8
1977	UNION OIL OF CAL	MOLYCORP INC	163.6

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TABLE 25 (CONT.)

YEAR	ACQUIRING COMPANY	ACQUIRED COMPANY	ASSETS ($MILLIONS)
1977	TENNECO INC	MONROE AUTO EQUIP	190.3
1977	HOUSTON NAT GAS	POTT INDS INC	197.9
1977	N L INDS INC	RUCKER CO	119.6
1977	GENL SIGNAL	SOLA BASIC INDS	121.9
1977	ST REGIS PAPER CO	SOUTHLAND PAPER	296.6
1977	WALTER KIDDE & CO	VICTOR COMPTOMETER	142.5
1978	BOC INTL LTD	AIRCO INC	857.5
1978	ALLIS-CHALMERS	AMERICAN AIR FILT	218.1
1978	DOMINION BRIDGE	AMTEL INC	158.5
1978	GENEL CABLE CORP	AUTOMATION INDS	123.5
1978	THYSSEN AG	BUDD CO (THE)	655.5
1978	CONSOL OIL & GAS	BURNS R L CORP	154.3
1978	EATON CORP	CUTLER-HAMMER INC	334.9
1978	NORTHERN TELECOM	DATA 100 CORP	159.5
1978	KANEB SERVICES	DIAMOND M CO	139.1
1978	ESSELTE AB (SWED)	DYMO INDS INC	120.5
1978	NATL DIS & CHEM	EMERY INDS INC	181.7
1978	LOUISIANA-PACIFIC	FIBREBOARD CORP	189.6
1978	JOHNSON CONTROLS	GLOBE-UNION	203.6
1978	AMER JET INDS INC	GRUMMAN AMER AVIAT	103.1
1978	TIME INC	INLAND CONTAINER	308.3
1978	ANGLO-AMER	INSPIRATION CONSOL	143.8
1978	CABOT CORP	KAWECKI-BERYLCO	124.8
1978	ARCATA NATL	KEYES FIBRE CO	121.6
1978	GENL SIGNAL	LEEDS & NORTHRUP	133.4
1978	LTV CORP	LYKES CORP	1658.0
1978	LONE STAR INDS	MAULE INDS INC	188.9
1978	UNILEVER LTD	NATL STARCH & CHEM	247.3
1978	JOHNS-MANVILLE	OLINKRAFT INC	460.4
1978	I C INDS INC	PET INC	488.3
1978	PHILIP MORRIS	SEVEN-UP CO	145.7
1978	GULF & WESTERN	SIMMONS CO	276.8
1978	BEATRICE FOODS CO	TROPICANA PRODUCTS	131.3

1/ Appears on listings and tables as two partial acquisitions. Continental Oil Company and Tennessee Gas Transmission jointly acquired Delhi-Taylor Oil.

2/ Adjusted to include assets of unconsolidated, majority-owned subsidiaries: J. I. Case Co. and Watkins-Johnson Co.

NOTE: No acquisition of firms with assets of $100 million or more took place in the period 1948 through 1951. Not included in the above listings are acquisitions for which data were not publicly available.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001514

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
208X	NATL DISTIL PRODS	209.6	47	1	208X	BLUM PHILIP & CO	16.4	47	C	12.7	02/00/48	1	1.4
221X	TEXTRON INC (R I)	57.0	47	1	223X	ESMOND MILLS INC	11.5	47			06/00/48	1	.1-
221X	BURLINGTON MILLS	125.2	47	1	225X	MAY MCEWEN KAISER	10.7	47		13.5	07/00/48	3	2.2
281X	FOOD MACHINERY	62.2	47	1	281X	WESTVACO CHEMICAL	24.6	47			09/07/48	3	2.7
	TOTALS FOR 1948			4	MERGERS	ASSETS ACQUIRED=	$63.2						
366X	I T & T	540.2	48	1	365X	FARNSWORTH RADIO	10.3	48			05/04/49	3	1.8-
361X	MCGRAW ELECTRIC	18.0	48	1	361X	LINE MATERIAL CO	21.5	48			10/03/49	3	3.5
291X	UNION OIL OF CAL	298.4	48	1	131X	LOS NIETOS CO	13.3	49			10/26/49	2	2.8
1312	PLYMOUTH OIL CO	25.1	48	1	2911	REPUBLIC OIL REF	22.2	48			05/ /49	2	3.6
281X	MATHIESON CHEM	49.0	48	1	289X	SO ACID & SULPHUR	11.6	47			04/01/49	3	2.7
281X	MATHIESON CHEM	49.0	48	1	281X	STND WHL PHOS&ACID	10.1	48			04/01/49	3	
	TOTALS FOR 1949			6	MERGERS	ASSETS ACQUIRED=	$89.0						
291X	SUNRAY OIL CO	131.4	49	1	291X	BARNSDALL OIL CO	87.2	49		.0	06/23/50	1	14.9
366X	AVCO MFG	91.0	49	1	363X	BENDIX HOME APPLNC	20.0	49		.0	12/18/50	3	.6
3741	BALDWIN LOCOMOTIV	86.7	49	1	347X	LIMA HAMILTON CORP	37.0	49			12/06/50	1	.5
121X	SOUTHERN COAL CO	.0		1	1211	NORTHERN ILL COAL	13.6	49			12/00/50	1	1.9
331X	DETROIT STEEL	16.9	49	1	331X	PORTSMOUTH STEEL	28.5	49		.0	01/04/50	2	4.9
	TOTALS FOR 1950			5	MERGERS	ASSETS ACQUIRED=	$186.3						

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
204X	PILLSBURY MILLS	94.9	50	1	204X	BALLARD & BALLARD	11.3	50			06/12/51	1	.4
221X	CONE MILLS CORP	100.0	50	1	223X	DWIGHT MFG CO	16.0	50		.0	03/28/51	1	1.9
7712	C B S	53.8	50	1	3662	HYTRON RAD & ELECT	13.7	50			06/15/51	5	3.3
241X	GEORGIA PACIFIC	22.8	50	1	241X	JOHNSON C D LUMBER	11.7	50			11/12/51	1	1.9
262X	SCOTT PAPER CO	51.5	50	1	261X	SOUNDVIEW PULP CO	28.9	50			11/09/51	2	5.3
374X	PULLMAN INC	170.8	50	1	371X	TRAILMOBILE CO	34.4	50			05/25/51	3	3.3
208X	NATL DISTIL &CHEM	284.6	50	1	281X	U S IND CHEMICALS	52.4	50			07/31/51	3	4.2
3312	U S PIPE & FOUNDR	50.0	50	1	3271	UNITED CONCRTE PIP	11.7	50	C	6.3	01/ /51	3	.8
331X	KAISER STEEL	157.3	50	1	121X	UTAH FUEL CO	21.4	50		.0	03/00/51	2	.1
	TOTALS FOR 1951			9	MERGERS	ASSETS ACQUIRED=	$201.5						
221X	AM & EFIRD MILLS	22.4	51	1	222X	AM YARN & PROCESS	22.4	51		.0	05/30/52	3	1.5
2671	GAIR ROBERT CO	39.2	51	2	2612	AMER COAT/OWEN-ILL	14.2	51	CS	13.0	04/01/52	2	1.4
354X	PRESSED STEEL CAR	28.8	51	1	356X	AXELSON MFG CO	15.0	52			10/09/52	3	.8
281X	FOOD MACH & CHEM	169.5	51	1	281X	BUFFALO ELEC CHEM	12.7	51			03/00/52	1	.7
2819	STAUFFER CHEMICAL	72.5	53	1	2811	CONSOL CHEM INDS	20.3	51			11/28/52	1	2.9
281X	OLIN INDUSTRIES	157.0	51	1	242X	FROST LUMBER IND	19.1	51			01/00/52	5	
4232	NATL DAIRY PRODS	386.6	51	1	2092	HUMKO CO	10.5	51			09/03/52	2	.7
366	I T & T	305.7	51	1	3661	KELLOGG SWITCHBORD	11.3	51			03/21/52	1	.6
201X	HYGRADE FOOD PROD	15.6	51	1	201X	KINGAN & CO INC	23.5	51			10/00/52	1	.3
3599	WESTINGHOUSE AIR	101.9	51	1	3519	LE ROI CO	17.2	52	C	7.0	09/ /52	3	.7

AR_001516

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
505X	ANDERSON CLAYTON	324.6	51	1	209X	MRS TUCKERS FOODS	17.6	51			02/29/52	5	1.6
281X	EAGLE-PICHER CO	40.3	51	1	309X	OHIO RUBBER CO	11.4	51		.0	06/26/52	5	1.8
324X	IDEAL CEMENT CO	57.7	51	1	324X	PACIFIC PORT CEMNT	10.1	51			12/31/52	4	1.3
331X	COLO FUEL & IRON	140.0	51	1	331X	ROEBLINGS J A SONS	43.3	51			12/31/52	1	3.0
281X	MATHIESON CHEM	142.2	51	1	283X	SQUIBB E R & SONS	106.8	51			10/01/52	3	9.7
221X	STEVENS J P & CO	201.5	51	1	221X	UTICA & MOHAWK COT	18.4	50			01/21/52	1	1.2
	TOTALS FOR 1952			16	MERGERS	ASSETS ACQUIRED=	$373.8						
205X	PURITY BAKERIES	32.0	52	1	205X	AMER BAKERIES (FLA	16.7	52			06/15/53	4	2.0
371X	WHITE MOTOR CO	92.3	52	1	371X	AUTOCAR CO	21.9	52			08/25/53	1	.1
371X	CHRYSLER CORP	897.9	53	2	3712	BRIGGS AUTOMTV/BRI	98.7	53	C	70.2	12/29/53	1	1.5-
352X	ALLIS CHALMERS	360.5	52	1	351X	BUDA CO	20.9	53			10/31/53	3	.7
221X	TEXTRON INC	57.2	52	1	229X	BURKART F MFG CO	10.0	52			09/30/53	3	1.2
202X	BEATRICE FOODS CO	47.1	52	1	202X	CREAMERIES OF AMER	17.5	52		.0	04/29/53	4	.9
281X	GRACE W R & CO	252.0	52	1	2811	DAVISON CHEM CORP	59.5	53			09/14/53	3	2.9
285X	NATL LEAD CO	223.9	52	1	336X	DOEHLER JARVIS	42.3	51			02/28/53	3	5.2
3521	MASSEY-HARRIS LTD	162.6	52	2	3521	FERGUSON HARRY/FER	20.5	52			10/31/53	1	4.0
314X	INTL SHOE CO	116.2	52	1	314X	FLORSHEIM SHOE CO	18.5	52		.0	02/01/53	1	1.2
2896	NATL CYLINDER GAS	34.3	52	1	3569	GIRDLER CORP	13.9	52			06/01/53	3	1.5
262X	W VA PULP & PAPER	129.7	52	1	261X	HINDE & DAUCH PAPR	27.5	53			08/21/53	2	3.1
1312	DEEP ROCK OIL	42.1	52	1	1311	HUGOTON PLAINS GAS	33.2	52	CS	1.9	11/00/53	1	.2-

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
281X	OLIN INDUSTRIES	182.7	52	1	132X	INTSTATE NAT GAS	42.0	52		.0	06/22/53	2	3.1
221X	UNITED MERCH MFRS	171.6	52	1	223X	JULLIARD A D & CO	27.6	53	S	7.4	10/27/53	3	5.1-
314X	GENL SHOE CORP	42.7	52	1	314X	MILLER I & SONS	10.2	53			12/10/53	1	.2
264X	MARATHON CORP	91.2	52	1	261X	NO PAPER MILLS	18.3	52			06/23/53	2	1.1
283X	MERCK & CO INC	128.4	52	1	283X	SHARPE & DOHME INC	46.1	52			04/30/53	1	3.9
262X	CROWN ZELLERBACH	199.9	52	1	262X	ST HELENS PULP	15.2	52			07/00/53	1	1.1
371X	TIMKIN DETROIT AX	89.9	53	1	371X	STAND STEEL SPRING	59.8	52			09/30/53	3	6.4
2896	NATL CYLINDER GAS	34.3	52	1	3391	TUBE TURNS INC	23.6	52			06/01/53	5	2.3
3551	NOVADEL-AGENE CO	10.7	53	1	3811	WALLACE & TIERNAN	15.1	53			12/31/53	5	1.1
371X	KAISER-FRAZER	122.0	52	1	371X	WILLYS-OVERLAND MO	120.1	52			04/28/53	1	6.1
	TOTALS FOR 1953			23	MERGERS	ASSETS ACQUIRED=	$779.1						
374X	WESTINGHOUSE AIR	144.8	53	1	374X	ADAMS J D MFG CO	11.0	53		.0	12/24/54	1	.6
3562	OTIS ELEVATOR CO	86.4	53	1	3565	BAKER-RAULANG CO	10.3	54			11/30/54	3	.1
6211	EQUITY CORP	40.1	53	1	3729	BELL AIRCRAFT CORP	61.3	53			06/01/54	5	3.5
211X	PHILIP MORRIS	265.0	53	1	211X	BENSON & HEDGES	19.2	53			02/04/54	1	1.2
2952	CERTAIN-TEED PROD	45.4	53	1	2431	CAMERON WM & CO	24.9	53			10/25/54	3	1.1
354X	U S INDUSTRIES	41.1	53	1	354X	CLEARING MACHINE	13.5	53		.0	09/23/54	3	1.5
372X	GENL DYNAMICS	197.3	53	1	372X	CONSOL VULTEE AIR	147.5	53		.0	04/30/54	5	10.4
3399	FOLLANSBEE STEEL	20.5	54	1	1441	CONSUMERS CO	10.3	54			12/23/54	5	.8
1313	COLO INTSTATE GAS	111.0	54	1	2911	DERBY OIL CO	17.6	54			11/04/54	3	1.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2612	SCOTT PAPER CO	125.2	53	1	2612	DETROIT SULPHITE	12.5	53			09/02/54	2	.8
281X	GRACE W R & CO	324.1	53	1	329X	DEWEY & ALMY CHEM	26.4	53			11/01/54	3	1.6
281X	EAGLE-PICHER CO	52.5	53	1	307X	FABRICON PRODUCTS	11.5	53		.0	07/08/54	3	1.1
131X	MONTEREY OIL CO	33.1	53	1	131X	FULLERTON OIL	23.7	53		.0	12/06/54	1	2.2
202X	FOREMOST DAIRIES	42.2	53	1	202X	GOLDEN STATE CO	30.5	53			02/26/54	4	1.2
221X	BURLINGTON MILLS	276.6	53	1	221X	GOODALL SANFORD	46.6	53			07/14/54	1	2.0
208X	CARLINGS BREWERY	122.2	53	1	208X	GRIESEDIECK BREW	13.7	53		.0	11/01/54	4	1.3
2052	NATL BISCUIT CO	205.2	53	1	2045	HILLS BROS CO	11.2	53			04/01/54	3	
262X	SCOTT PAPER CO	125.2	53	1	261X	HOLLINGS & WHITNEY	50.6	53			09/13/54	2	2.2
371X	NASH KELVINATOR	219.2	53	1	371X	HUDSON MOTOR CAR	108.0	53			05/01/54	1	10.4-
361X	PORTER H K	34.7	53	1	329X	LACLEDE CHRISTY	13.4	53		.0	09/10/54	2	.6
162X	MERRITT CHAPMAN	36.7	53	1	353X	MARION POWER SHOVL	16.0	53			10/13/54	3	1.1
262X	CONTAINER CORP AM	87.4	53	1	243X	MENGEL CO	22.0	53		.0	09/13/54	1	1.1
2812	ALLIED CHEM & DYE	702.6	53	1	2829	MUTUAL CHEM CO AME	19.4	53			08/00/54	3	1.5
373X	N Y SHIPBUILDING	31.4	53	1	346X	NESCO INC	21.2	53		.0	04/23/54	2	.6
162X	MERRITT CHAPMAN	36.7	53	1	331X	NEWPORT STEEL CORP	26.5	53			02/26/54	5	2.2
281X	MATHIESON CHEMICL	259.9	53	1	196X	OLIN INDUSTRIES	232.5	53			08/31/54	3	13.2
221X	BURLINGTON MILLS	276.6	53	1	221X	PACIFIC MILLS	79.1	53			07/10/54	1	2.4
371X	STUDEBAKER CORP	157.9	53	1	371X	PACKARD MOTOR CO	135.9	53		.0	10/01/54	1	5.6
208X	SCHENLEY IND INC	376.0	53	1	284X	PARK & TILFORD	31.3	53		.0	12/00/54	1	.3
336X	BOHN ALUM & BRASS	33.6	53	1	371X	REO MOTORS INC	39.1	53		.0	12/00/54	5	3.2
231X	RELIANCE MFG CO	16.3	53	1	232X	RICE STIX INC	23.6	54			12/22/54	1	.7

AR_001519

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY				***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
204X	PEAVEY F H & CO	.0		1	204X	RUSSELL MILLER	35.6	53			01/19/54	1	.5
2095	MINUTE MAID CORP	24.7	54	2	2037	SNOW CROP/CLINTON	45.0	54	C	39.0	11/30/54	3	.0
301X	GOODRICH B F	437.0	53	1	306X	SPONGE RUBBER PROD	17.5	53		18.5	08/13/54	3	2.1
3491	RHEEM MFG CO	86.8	53	1	3714	U S SPRING & BUMPR	10.1	53			04/20/54	3	.7
203X	HUNT FOODS INC	60.8	53	1	341X	UNITED CAN & GLASS	14.5	53			12/00/54	2	.8
221X	LOWENSTEIN M	92.8	53	1	229X	WAMSUTTA MILLS	11.5	53			08/20/54	3	.2-
	TOTALS FOR 1954			37	MERGERS	ASSETS ACQUIRED=	$1444.5						
358X	CARRIER CORP	101.2	54	1	343X	AFFIL GAS EQUIP	32.7	54			03/01/55	3	2.3
3633	THOR CORP	13.9	54	1	264X	ALLIED PAPER MILLS	11.5	54		.0	12/00/55	5	.7
371X	STERLING PRECISN	4.6	54	1	399X	AM LAFRANCE FOAM	12.4	54		.0	03/18/55	3	1.8
291X	SINCLAIR OIL	1186.8	54	1	291X	AM REPUBLICS CORP	41.2	54		.0	03/23/55	1	5.5
223X	TEXTRON INC	72.9	54	1	221X	AM WOOLEN CO	64.3	54			02/24/55	3	18.8-
241X	U S PLYWOOD CORP	84.3	54	1	243X	ASSOC PLYWOOD MILL	17.1	53		16.4	01/17/55	1	1.2
2231	CONSOL TEXTILE	19.4	54	1	2231	BATES MFG CO	39.8	54			03/22/55	1	1.8
492X	TENN GAS TRANS	742.5	54	1	291X	BAY PETROLEUM CORP	29.6	54		.0	06/00/55	2	1.8
281X	OLIN MATH CHEM	474.2	54	1	281X	BLOCKSON CHEMICAL	23.3	54		.0	04/15/55	3	3.8
356X	FED MOGUL CORP	23.6	54	1	359X	BOWER ROLLER BEAR	21.8	54			07/29/55	1	2.4
281X	OLIN MATH CHEM	474.2	54	1	261X	BROWN PAPER MILL	40.2	54			09/00/55	2	2.4
371X	BORG WARNER CORP	269.4	54	1	356X	BYRON JACKSON CO	23.0	54		.0	04/30/55	3	1.6
221X	STEVENS J P & CO	280.5	54	1	223X	CHENEY BROS	15.0	54		.0	02/28/55	1	.2

AR_001520

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
333X	CERRO DE PASCO	136.9	54	1	335X	CIRCLE WIRE & CABL	14.9	54		.0	10/28/55	3	1.3
371X	BUDD CO	157.7	54	1	397X	CONT DIAMOND FIBRE	15.9	54		.0	02/04/55	3	.2
354X	BLAW KNOX CO	61.1	54	1	332X	CONT FOUNDRY & MAC	41.3	54		.0	09/20/55	1	3.5
291X	KERR MCGEE OIL	43.3	54	2	291X	DEEP ROCK OIL CORP	12.0	54		20.0	04/00/55	2	2.5
162X	MERRITT CHAPMAN	97.8	54	1	2851	DEVOE & RAYNOLDS	28.9	54			02/28/55	5	1.3
281X	HOOKER CHEMICAL	63.4	54	1	282X	DUREZ PLASTICS	23.5	54		.0	01/17/55	1	2.3
2812	UNION CHEM &MATRL	23.7	54	1	3581	EASY WASHING MACH	12.2	54			08/31/55	5	.7
221X	BURLINGTON INDUST	382.4	54	1	229X	ELY & WALKER DRYGD	82.1	54			09/00/55	1	7.7
262X	CROWN ZELLERBACH	332.8	54	1	261X	GAYLORD CONTAINER	65.3	54			11/30/55	2	7.0
262X	ST REGIS PAPER CO	216.6	54	1	263X	GENL CONTAINER	10.1	54			08/25/55	1	1.3
262X	DIAMOND NATIONAL	75.5	54	1	264X	GENL PACKAGE	17.9	54		.0	05/31/55	3	2.5
349X	BABCOCK & WILCOX	161.5	54	1	351X	GLOBE STEEL TUBES	12.6	54		.0	01/01/55	3	1.0
223X	BERKSHIRE FINE SP	44.3	54	1	223X	HATHAWAY MFG CO	13.9	54			03/14/55	1	.4-
225X	KAYSER JULIUS	17.7	54	1	225X	HOLEPROOF HOSIERY	17.5	54		.0	09/00/55	1	1.2
262X	KIMBERLY CLARK	152.1	54	1	262X	INTERNAT CELLUCOTN	43.3	54		.0	09/30/55	3	7.4
314X	BROWN SHOE CO	60.7	54	1	3141	KINNEY G R CO	18.6	55			07/26/55	1	1.2
283X	WARNER-HUDNUT	43.9	54	1	283X	LAMBERT CO	18.6	54			02/09/55	3	2.0
352X	DRESSER INDUS INC	88.0	54	1	352X	LANE WELLS CO	21.3	54			03/01/55	1	2.4
356X	PENN TEXAS CORP	35.1	54	1	372X	LIBERTY PRODUCTS	13.9	54		.0	11/14/55	3	1.9
281X	MONSANTO CHEMICAL	376.5	54	1	291X	LION OIL CO	147.6	54		.0	07/22/55	2	11.1
291X	SUNRAY OIL CO	300.0	54	1	291X	MID CONT PETROLEUM	186.3	54			01/25/55	1	13.5
33XX	HEPPENSTALL CO	12.0	54	1	339X	MIDVALE CO	22.0	54		.0	11/14/55	3	.7

AR_001521

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
227X	ALEXANDER SMITH	50.3	54	1	227X	MOHAWK CARPET MILL	54.0	54			10/25/55	1	.9
221X	BURLINGTON IND	382.4	54	1	223X	MOORESVILLE MILLS	12.5	54		.0	03/31/55	1	.2
162X	MERRITT CHAPMAN	97.8	54	1	373X	N Y SHIPBLDG CORP	49.3	54			02/28/55	3	2.4
204X	CORN PRODUCTS REF	181.7	54	1	204X	NEW ENG GRAIN PROD	20.3	54			05/16/55	2	1.2
281X	HOOKER CHEMICAL	63.4	54	1	281X	NIAGARA ALKALI CO	12.5	54		.0	06/29/55	1	1.9
356X	PENN TEXAS CORP	35.1	54	1	354X	NILES BEMENT POND	45.2	54		.0	04/11/55	3	4.3
3614	WESTINGHOUSE ELEC	1329.1	54	1	3439	OLSEN C A MFG CO	10.1	55			09/00/55	5	1.3
2033	CONSOL FOODS CORP	77.9	55	1	2015	OMAHA COLD STORAGE	11.6	55	S	3.0	11/00/55	5	
341X	NATL CAN CORP	22.5	54	1	331X	PACIFIC CAN CO	17.4	53			05/00/55	3	1.1
358X	HUPP CORP	7.4	54	1	343X	PERFECTION STOVE	22.5	54		.0	09/30/55	5	1.1-
202X	FOREMOST DAIRIES	90.4	54	1	202X	PHILADL DAIRY PROD	22.0	54			12/31/55	4	1.2
262X	ST REGIS PAPER CO	216.6	54	1	264X	POLLOCK PAPER CORP	14.1	54			06/00/55	3	1.2
121X	ISLAND CREEK COAL	37.8	54	1	121X	POND CREEK POCAHON	15.5	54		.0	08/31/55	1	1.1
3391	HARRISBURG STEEL	19.6	54	1	3361	PRECISION CASTINGS	13.0	54			07/31/55	5	.5
363X	WHIRLPOOL CORP	60.5	54	2	363X	RCA STOVE&AIR COND	10.1	54			09/15/55	3	
5033	SAFIE BROS CO INC	.0		1	2328	RELIANCE MFG CO	20.6	54	00	8.5	08/00/55	2	.3
366X	SPERRY CORP	223.8	54	1	357X	REMINGTON RAND	207.7	54			03/17/55	3	12.2
223X	TEXTRON INC	72.9	54	1	223X	ROBBINS MILLS	54.8	54	S		02/24/55	1	3.0-
3581	AUTOMATIC CANTEEN	14.5	54	1	3581	ROWE CORP	13.7	54			01/00/55	1	.1
363X	WHIRLPOOL CORP	60.5	54	1	358X	SEEGER REFRIG	46.7	54		.0	07/18/55	3	6.0
1211	PEABODY COAL CO	43.7	54	1	1211	SINCLAIR MINES COS	47.4	54	S	34.3	07/12/55	1	4.0
2671	GAIR ROBERT CO	95.5	54	1	2661	SO ADVANCE BAG&PAP	18.0	54			05/02/55	3	2.3

AR_001522

TABLE 26 -LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
372X	GENL DYNAMICS	193.3	54	1	366X	STROMBERG CARLSON	41.1	54			06/30/55	3	2.0
2033	CAMPBELL SOUP CO	223.1	54	1	2015	SWANSON C A & SONS	25.1	54			05/06/55	3	2.3
131X	DELHI OIL CORP	21.8	54	1	291X	TAYLOR OIL & GAS	36.5	54			01/00/55	1	2.4
162X	MERRITT CHAPMAN	97.8	54	1	331X	TENN PROD & CHEM	25.9	54			02/28/55	3	.9
343X	NATL RADIATOR CO	14.1	54	1	343X	U S RADIATOR CORP	15.1	54			04/00/55	1	.0
1111	PHIL & READING	42.8	54	1	2254	UNION UNDERWEAR CO	20.8	55	CS	14.6	08/31/55	5	2.0
371X	CHRYSLER CORP	1034.6	54	1	372X	UNIVERSAL PRODUCTS	10.1	54		.0	02/28/55	3	.2
111X	GLEN ALDEN CORP	28.9	54	1	223X	VERNEY CORP	10.3	54		.0	11/18/55	3	1.7-
202X	FOREMOST DAIRIES	90.4	54	1	202X	WEST CONDENSING CO	11.0	54			11/18/55	3	.6
2514	DAYSTROM INC	44.2	53	1	3613	WESTON ELEC INSTR	19.2	54			01/24/55	5	1.1
	TOTALS FOR 1955			67	MERGERS	ASSETS ACQUIRED=	$2165.7						
221X	DAN RIVER MILLS	71.1	55	1	223X	ALABAMA MILLS INC	13.1	55		.0	05/15/56	1	.2
355X	RAPID AMERICAN	3.8	55	1	275X	AMERICAN COLORTYPE	15.9	55		.0	05/16/56	2	.4
36XX	WHITE SEWING MACH	15.1	55	1	358X	APEX ELECTRICAL	10.9	55		.0	10/01/56	3	.2
301X	GENL TIRE &RUBBER	183.2	55	1	331X	BYERS A M CO	22.0	55			09/06/56	5	.2-
262X	UNION BAG & PAPER	98.8	55	1	261X	CAMP MFG CO INC	31.4	55			07/12/56	1	3.1
223X	TEXTRON INC	150.9	55	1	332X	CAMPBELL WY & CANN	17.1	55			04/20/56	5	.8
203X	STANDARD BRANDS	159.8	55	1	209X	CLINTON FOODS INC	82.1	55		.0	04/16/56	3	3.9
241X	GEORGIA PACIFIC	58.8	55	1	243X	COOS BAY LUMBER CO	22.3	55		.0	07/10/56	2	3.9
285X	AMERICAN MARIETTA	104.5	55	1	324X	DRAGON CEMENT	12.8	55		.0	10/01/56	4	2.0

AR_001523

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
283X	WARNER LAMBERT PH	43.9	55	1	283X	EMERSON DRUG CO	10.2	55		.0	04/02/56	3	1.1
331X	YOUNGSTOWN SHEET	573.5	55	1	353X	EMSCO MFG CO	19.6	55			10/31/56	3	1.5
223X	TEXTRON INC	150.9	55	1	317X	FEDERAL LEATHER	10.3	56			08/31/56	3	1.2
263X	PABCO PRODUCTS	51.3	55	1	263X	FIBREBOARD PROD	79.3	55	C	37.8	01/13/56	1	8.2
281X	AMERICAN CYANAMID	515.4	55	1	307X	FORMICA CO	17.4	55			04/00/56	2	3.1
341X	CONTINENTAL CAN	381.9	55	1	267X	GAIR ROBERT CO INC	134.9	55		.0	10/26/56	3	9.3
348X	HUPP CORP	7.3	55	1	363X	GIBSON REFRIG CO	19.0	55		.0	02/17/56	3	.7
6551	WEBB & KNAPP INC	194.3	55	1	206X	GODCHAUX SUGARS	22.0	55			04/00/56	5	.2
356X	PENN TEXAS CORP	35.1	54	1	365X	HALLICRAFTERS CO	13.5	55			03/19/56	3	.4
241X	GEORGIA PACIFIC	58.8	55	1	242X	HAMMOND LUMBER CO	40.4	56	C	75.0	10/22/56	4	1.7
341X	CONTINENTAL CAN	381.9	55	1	322X	HAZEL ATLAS GLASS	37.9	55		.0	09/13/56	3	3.4
221X	BURLINGTON IND	510.3	55	1	222X	HESS GOLDSMITH CO	14.0	55			02/15/56	3	.2
291X	ATLANTIC REFINING	611.6	55	1	131X	HOUSTON OIL OF TEX	77.5	55		.0	01/25/56	2	7.2
3983	OHIO MATCH CO	33.2	55	1	2033	HUNT FOODS INC	86.6	55			05/14/56	5	2.4
3351	BRIDGEPORT BRASS	67.7	55	1	2563	HUNTER DOUGLAS ALU	20.0	55			03/09/56	1	1.1
207X	BEECHNUT PACKING	51.5	55	1	207X	LIFE SAVERS CORP	16.1	55			08/01/56	3	2.8
262X	INTERNATL PAPER	549.4	55	1	242X	LONG BELL LUMBER	90.7	55			02/05/56	2	9.7
243X	SIMPSON TIMBER CO	90.0	55	1	243X	M & M WOODWORKING	42.0	55		.0	05/08/56	1	2.4
352X	UNIVERSAL CORP	13.5	55	2	353X	MARION POW/MERRITT	19.8	55			11/07/56	3	.9
263X	FEDERAL PAPER BD	24.1	55	1	263X	MORRIS PAPER MILLS	12.8	55		.0	08/00/56	4	.9
343X	AMER RADIATOR	232.3	55	1	3461	MULLINS MFG CO	40.7	54			01/28/56	1	2.3
321X	OWENS ILL GLASS	280.4	55	1	261X	NATL CONTAINER	99.4	55		.0	10/04/56	2	8.4

AR_001524

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
356X	FED MOGUL BOWER	44.9	55	1	395X	NATL MOTOR BEARNG	10.5	55			05/28/56	3	.8
331X	ACME STEEL CO	60.8	55	2	331X	NEWPORT STE/MERRIT	29.4	55			09/14/56	3	.6
2812	HOOKER ELECTRCHEM	98.7	55	2	2819	OLDBURY ELEC/ALBRI	13.4	56			11/30/56	1	.8
1291	AMER PETROFINA	57.1	56	1	291X	PANHANDLE OIL	15.7	55			10/01/56	1	.9
121X	CONSOL COAL CO	230.0	55	1	121X	POCAHONTAS FUEL CO	70.3	55			08/23/56	1	3.9
1211	ISLAND CREEK COAL	58.6	55	2	1211	RED JACKET/RITTER	16.4	55			01/01/56	1	.6
262X	ST REGIS PAPER CO	258.7	55	1	261X	RHINELANDER PAPER	25.0	55			02/02/56	2	1.6
3491	RHEEM MFG CO	96.7	55	2	3431	RICHMOND RAD/REYNO	10.6	55			03/30/56	3	1.0
50XX	PAC COAST AGGREGT	11.4	55	1	3241	SANTA CRUZ PTL CEM	11.2	55	C	12.0	03/ /56	2	1.2
207X	ROCKWOOD & CO	6.5	55	1	314X	SELBY SHOE	11.5	55		.0	11/00/56	5	.2-
361X	BENDIX AV CORP	278.1	55	1	354X	SHEFFIELD CORP	14.7	55			12/27/56	3	1.0
291X	SINCLAIR OIL	1250.1	55	1	291X	SO PRODUCTION CO	77.4	55		.0	07/23/56	1	4.3
361X	MCGRAW ELECTRIC	85.6	55	1	363X	SPEED QUEEN CORP	10.7	55			10/00/56	3	1.2
371X	FRUEHAUF TRAILER	188.7	55	1	371X	STRICK CORP	16.3	55		12.2	01/00/56	1	1.5
281X	U S BORAX & CHEM	64.4	55	1	281X	U S POTASH	19.2	55		.0	07/02/56	3	2.8
291X	STANDARD OIL IND	2332.4	55	1	291X	UTAH OIL REFINING	54.6	55		.0	07/00/56	1	4.4
281X	UNION CARBIDE	1371.9	55	1	282X	VISKING CORP	30.5	55		.0	09/19/56	2	5.1
291X	GULF OIL CORP	2160.8	55	1	291X	WARREN PETROLEUM	163.9	55		.0	02/01/56	1	10.1
0122	NATL GRAPE CO-OP	17.8	56	1	2033	WELCH GRAPE JUICE	34.6	56			09/01/56	2	3.6
281X	STAUFFER CHEMICAL	121.4	55	1	281X	WEST END CHEMICAL	10.7	55			10/01/56	3	1.3
341X	CONTINENTAL CAN	358.1	54	1	346X	WHITE CAP CO	12.9	54			01/04/56	3	1.4
371X	BORG WARNER CORP	269.4	55	1	358X	YORK CORP	70.8	55		.0	04/06/56	3	2.4

TOTALS FOR 1956 53 MERGERS ASSETS ACQUIRED= $1882.0

AR_001525

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
331X	HARSCO CORP	44.4	56	1	371X	AINSWORTH MFG CORP	11.2	56		.0	10/31/57	3	.1-
306X	BACHMAN UXBRGE WR	27.4	56	1	309X	AM HARD RUBBER CO	19.0	56		.0	05/29/57	5	1.0
1312	AMER PETROFINA	57.1	56	1	1312	AMER LIBERTY OIL	22.7	56	C	26.2	04/08/57	1	
262X	MEAD CORP	134.0	56	1	262X	ATLANTA PAPER CO	10.2	56			05/00/57	4	.8
2884	SPENCER KELLOGG	49.5	56	1	2042	BEACON MILLING CO	10.1	56			06/28/57	2	.3
363X	WHIRLPOOL CORP	40.2	56	1	363X	BIRTMAN ELECTRIC	13.2	56		.0	04/01/57	3	.7
306X	AM BILTRITE RUB	20.2	56	1	309X	BOSTON WOVEN HOSE	12.5	56		.0	04/25/57	3	.3
2711	STAUFFER PUBLICAT	.0		1	2721	CAPPER PUBLICATION	13.1	56			02/01/57	1	.3
284X	PROCTER & GAMBLE	554.1	56	1	262X	CHARMIN PAPER MLLS	22.7	55			01/17/57	5	1.5
334X	AMER METAL CO	195.8	56	1	333X	CLIMAX MOLYBDENUM	73.3	56		.0	11/08/57	3	15.2
284X	PROCTER & GAMBLE	554.1	56	1	289X	CLOROX CHEMICAL	12.9	56		.0	08/00/57	3	2.0
341X	AMERICAN CAN CO	499.8	56	1	269X	DIXIE CUP CO	56.1	56		.0	05/01/57	3	4.4
281X	DOW CHEMICAL CO	646.3	56	1	264X	DOBECKMAN	24.1	56		.0	09/01/57	2	1.4
241X	WEYERHAEUSER TIMB	404.0	56	1	263X	EDDY PAPER CORP	44.0	56		.0	02/06/57	2	3.3
361X	MCGRAW ELECTRIC	112.5	56	1	369X	EDISON THOMAS A	31.4	55			01/02/57	3	1.4
358X	CARRIER CORP	161.5	56	1	361X	ELLIOTT CO	44.6	56		.0	07/31/57	3	1.7
221X	STEVENS J P & CO	318.0	56	1	221X	FORSTMANN WOOLEN	27.8	57	S	6.4	09/24/57	1	
221X	INDIAN HEAD MILLS	9.2	56	1	223X	FRANKLIN PROCESS	10.7	56		.0	12/10/57	2	.5
262X	DIAMOND MATCH CO	96.3	56	1	261X	GARDNER BOARD&CART	28.2	56			10/31/57	3	1.9
3312	JESSOP STEEL CO	11.7	56	1	3312	GREEN RIVER STEEL	13.0	56			05/01/57	1	3.6-
221X	BURLINGTON IND	488.0	56	1	221X	HENRIETTA MILLS	13.5	56		.0	08/30/57	1	1.1
324X	RIVERSIDE CEMENT	26.4	56	1	324X	HERCULES CEMENT	17.3	57			12/31/57	4	1.6

AR_001526

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
355X	HARRIS SEYBOLD	36.9	56	1	355X	INTERTYPE CORP	18.5	56			06/27/57	3	1.6
329X	VULCAN MATERIALS	27.3	56	1	1422	LAMBERT BROS CORPS	13.1	57			12/31/57	4	1.2
333X	CERRO DE PASCO	186.2	56	1	335X	LEWIN MATHES CO	18.1	56			07/01/57	3	1.6
372X	GENL DYNAMICS	434.6	56	1	289X	LIQUID CARBONIC	58.7	57			09/30/57	5	3.5
341X	AMERICAN CAN CO	499.8	56	1	261X	MARATHON CORP	160.3	56			09/30/57	3	9.1
361X	RELIANCE ELECTRIC	36.5	56	1	361X	MASTER ELECTRIC CO	14.0	56		.0	07/30/57	1	2.0
211X	PHILIP MORRIS	281.2	56	1	264X	MILPRINT INC	24.1	56		16.4	07/00/57	2	1.2
366X	LITTON INDUSTRIES	10.8	56	1	357X	MONROE CALCULATING	28.3	56		.0	10/15/57	3	1.8
26XX	AMERICAN SEAL KAP	16.8	56	1	35	NATL RUBBER MACH	11.1	56			03/00/57	5	.7
262X	ST REGIS PAPER CO	298.8	56	1	241X	NEILS J LUMBER CO	27.0	56			01/00/57	1	1.6
2833	HEYDEN CHEMICAL	38.0	55	1	2862	NEWPORT INDUSTRIES	22.4	56			01/09/57	3	1.1
331X	CARPENTER STEEL	47.5	57	1	331X	NORTHEASTERN STEEL	14.2	57			11/19/57	1	1.8-
324X	RIVERSIDE CEMENT	26.4	56	1	324X	PEERLESS CEMENT	18.4	56			12/31/57	4	2.4
203X	CONSOL FOODS CORP	99.4	56	1	203X	PHILLIPS PACKING	10.4	56			07/00/57	1	.3-
4741	UNION TANK CAR CO	160.5	56	1	3391	PHOENIX MFG CO	29.7	56	S	12.6	09/09/57	5	1.8
369X	ELEC STORAGE BATR	68.0	56	1	369X	RAY O VAC	19.9	56			11/00/57	3	1.8
2094	CORN PRODUCTS REF	214.5	56	1	2061	REFND SYRUPS&SUGAR	11.0	56			03/15/57	3	.4
3312	CRUCIBLE STEEL AM	171.8	56	1	3359	REM-CRU TITANIUM	19.7	56	S	2.9	12/17/57	2	.1
371X	MIDLAND STEEL PRD	43.0	56	1	356X	ROSS J O ENG	14.6	56			12/07/57	3	1.2
331X	JONES & LAUGHLIN	732.1	56	1	331X	ROTARY ELEC STEEL	33.2	56		.0	04/30/57	3	2.3
262X	ST REGIS PAPER CO	298.8	56	1	242X	ST PAUL & TAC LUMB	23.4	56			08/00/57	2	1.2
324X	LONE STAR CEMENT	104.3	56	1	324X	SUPERIOR PORT CEMT	10.3	56			01/02/57	4	.8

AR_001527

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
331X	COPPERWELD STEEL	56.2	56	1	339X	SUPERIOR STEEL	16.5	56			11/30/57	2	.7
329X	VULCAN MATERIALS	27.3	56	1	339X	UNION CHEM & MATRL	38.5	56		.0	12/31/57	3	3.5
3439	SIEGLER CORP	19.7	57	1	3661	UNITRONICS CORP	15.3	57			09/13/57	5	.5
	TOTALS FOR 1957			47	MERGERS	ASSETS ACQUIRED=	$1202.3						
326X	NATL GYPSUM CO	174.9	57	1	325X	AMER ENCAUST TILNG	10.2	57			08/20/58	3	1.3
3699	NOMA LIGHTS INC	8.2	57	1	3494	AMER SCREW CO	10.4	57			11/00/58	5	.2-
321X	AMER SAINT GOBAIN	16.8	57	1	321X	AMER WINDOW GLASS	16.8	57		.0	05/26/58	1	1.1
3591	ROCKWELL MFG CO	85.7	57	1	3579	AUTO VOTING MACH	13.0	57			06/12/58	5	1.0
204X	CORN PRODUCTS REF	227.0	57	1	203X	BEST FOODS INC	57.3	57		.0	10/01/58	3	6.2
221X	BURLINGTON IND	523.3	57	1	221X	BLUMENTHAL SIDNEY	11.0	57		.0	11/00/58	1	.2-
361X	AMPHENOL ELECTRON	22.4	57	1	387X	BORG GEORGE W	16.8	57		.0	11/04/58	3	1.7
371X	HOUDAILLE IND INC	55.3	57	1	371X	BUFFALO ECLIPSE	18.4	57			11/20/58	3	1.4
333X	ANACONDA CO	975.8	56	1	335X	COCHRAN FOIL CO	13.1	57			04/30/58	2	1.2
371X	WHITE MOTOR CO	92.9	57	1	371X	DIAMOND T MOTOR	17.5	57		.0	04/01/58	1	1.8
262X	STANDARD PKGING	21.9	57	1	262X	EASTERN CORP	33.4	57		.0	09/15/58	1	1.1
3312	UNIVERSAL-CYCLOPS	29.8	57	2	3312	EMPIRE STEEL/REEVE	28.4	56			02/28/58	3	2.3
356X	PENN TEXAS CORP	125.5	57	1	351X	FAIRBANKS MORSE	94.5	57			11/07/58	5	2.6
223X	TEXTRON INC	178.3	57	1	343X	FANNER MFG	10.7	56			01/24/58	3	1.0
2612	FEDERAL PAPER BD	37.1	57	1	3229	FEDERAL GLASS CO	13.2	58			06/30/58	5	1.2
371X	EATON MFG CO	114.5	57	1	331X	FULLER MFG CO	20.5	57			06/24/58	3	2.2

AR_001528

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3543	UNITED DRILL&TOOL	27.8	57	1	3543	GREENFIELD TAP&DIE	12.7	57			02/14/58	3	1.1
261X	ST REGIS PAPER CO	376.2	57	1	263X	GROWERS CONTAINER	12.0	57			03/25/58	1	.8-
1021	HOWE SOUND CO	22.0	57	1	1062	HAILE MINES INC	14.4	57			06/30/58	3	.3
131X	SIGNAL OIL & GAS	128.0	57	1	291X	HANCOCK OIL CO	62.7	57		.0	09/15/58	1	7.2
	ROCKWOOD & CO	16.7	56	1	3522	JAMES MFG CO	11.3	58	C	6.0	10/31/58	5	.1
326X	JOHNS-MANVILLE	271.3	58	2	2299	L-O-F GL FIBR/LIBB	28.7	58			12/31/58	3	1.1
261X	INTERNATL PAPER	802.2	57	1	2671	LORD BALT PRESS	10.6	57			03/00/58	2	1.1
394X	BRUNSWICK-BALKE-C	110.6	57	1	3949	MACGREGOR SPORT	10.8	57			02/04/58	3	.6
357X	SMITH-CORONA	44.3	57	1	357X	MARCHANT CALCULATR	21.5	57			06/30/58	3	.6
492X	TENN GAS TRANSMIS	1096.8	57	1	131X	MIDDLE STATES PETR	29.4	57			08/00/58	2	1.6
3621	MCGRAW-EDISON CO	147.7	57	1	3641	NATL ELECTRIC COIL	11.8	57		15.5	12/30/58	3	1.5
331X	ARMCO STEEL CORP	612.8	57	1	353X	NATL SUPPLY CO	154.7	57			04/30/58	2	15.3
371X	UNITED AIRCRAFT	451.5	57	1	361X	NORDEN-KETAY CORP	13.4	57			03/20/58	3	4.9-
333X	KENNECOTT COPPER	807.5	57	1	335X	OKONITE CO	31.3	57		.0	11/24/58	2	.1
205X	CONTINENTAL BAKNG	96.3	57	1	205X	OMAR INC	13.5	57		.0	10/04/58	1	.1
295X	FLINTKOTE CO	100.1	57	1	264X	ORANGEBURG MFG	10.9	57		.0	09/00/58	2	1.0
3312	UNIVERSAL CYCLOPS	29.8	57	1	3312	REEVES STEEL & MFG	13.9	56			02/28/58	3	.7
342X	AMER HARDWARE CO	40.9	57	1	358X	SAVAGE ARMS CORP	21.6	57			11/00/58	5	.8
3531	UNIVERSAL MARION	38.8	57	1	3312	SCULLIN STEEL CO	10.0	57			04/24/58	2	1.4
291X	TEXAS COMPANY	2729.1	57	1	131X	SEABOARD OIL	93.1	57	S		06/00/58	1	11.2
281X	HOOKER CHEMICAL	134.1	57	1	281X	SHEA CHEM CORP	14.4	57		.0	04/00/58	3	.7
223X	TEXTRON INC	178.3	57	1	383X	SHURON OPTICAL	10.5	56			09/26/58	3	.6

AR_001529

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
361X	PORTER H K	89.3	57	1	306X	THERMOID CO	23.6	57			12/11/58	3	1.0
331X	ARMCO STEEL CORP	612.8	57	1	349X	UNION WIRE ROPE	11.6	57			01/14/58	2	1.6
223X	TEXTRON INC	178.3	57	1	356X	WATERBURY FARREL	17.0	57			06/13/58	3	1.0
3391	SYMINGTON-GOULD	13.9	57	1	3586	WAYNE PUMP CO	20.0	57			03/12/58	5	.9
	TOTALS FOR 1958			42	MERGERS	ASSETS ACQUIRED=	$1070.6						
356X	BLAW KNOX CO	106.0	58	1	354X	AETNA STANDARD ENG	15.7	58		.0	02/28/59	3	1.2
331X	WOODWARD IRON CO	54.2	58	1	3321	ALABAMA PIPE CO	15.7	58			07/01/59	1	1.0
394X	BRUNSWICK CORP	212.9	58	1	283X	ALOE A S CO	18.3	58		.0	04/17/59	5	.9
2612	CENTRAL FIBRE PRO	37.3	59	1	2671	AMER BOX BOARD CO	43.4	58			08/05/59	4	1.1
262X	KIMBERLY CLARK	297.8	58	1	262X	AMER ENVELOPE CO	10.9	58		.0	02/27/59	3	1.2
291X	OHIO OIL CO	400.2	58	1	2911	AURORA GASOLINE CO	42.1	58			08/01/59	4	.7
131X	SIGNAL OIL & GAS	210.0	58	1	291X	BANKLINE OIL CO	13.2	58			07/10/59	1	.0
295X	FLINTKOTE CO	127.2	58	1	326X	BLUE DIAMOND CORP	13.8	58			05/14/59	2	1.5
295X	FLINTKOTE CO	127.2	58	1	324X	CALAVERAS CEMENT	18.2	58		.0	07/30/59	3	2.0
349X	CRANE CO	224.1	58	1	349X	CHAPMAN VALVE MFG	13.4	58		.0	09/15/59	1	.7
615X	CASTLE & COOKE	43.7	59	2	203	COL RIV PAC/TRANSA	14.4	58			02/00/59	5	.9
324X	GENL PORTLAND CEM	73.5	58	1	324X	CONSOL CEMENT	21.4	58		.0	04/30/59	4	2.1
333X	CERRO DE PASCO	199.9	58	1	333X	CONSOL COPPERMINES	37.2	58		.0	03/25/59	1	1.3
383X	BELL & HOWELL CO	45.6	58	1	381X	CONSOL ELECDYNAMIC	31.0	58		.0	10/28/59	5	1.2-
239X	FULTON COTTN MLLS	12.7	58	1	355X	CONTINENTAL GIN CO	17.6	58		.0	04/21/59	5	.1-

AR_001530

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
262X	ST REGIS PAPER CO	391.5	58	1	263X	CORNELL PAPERBOARD	24.4	58			11/10/59	1	.9
314X	GENESCO INC	107.9	58	1	2342	FORMFIT CO	13.4	58			09/00/59	5	1.3
494X	GENL WATERWORKS	65.5	58	1	3585	FRICK CO	16.2	58	S		10/31/59	5	.9
341X	CONTINENTAL CAN	688.2	58	1	262X	FT WAYNE CORRUGTE	15.2	58			06/15/59	3	.9
354X	BLISS E W CO	45.6	58	1	361X	GAMEWELL CO	15.6	58		.0	08/27/59	5	.9
203X	HUNT FOODS & IND	141.2	58	1	241X	HARBOR PLYWOOD	33.4	58			10/00/59	5	.6
615X	CASTLE & COOKE	43.7	59	1	203X	HAWAIIAN PINEAPPLE	74.7	58			00/00/59	3	4.2
326X	NATL GYPSUM CO	191.9	58	1	3241	HURON PORT CEMENT	48.9	58			05/15/59	4	5.8
291X	CONTINENTAL OIL	619.7	58	1	291X	INTL REFINERIES	12.1	58		.0	03/04/59	1	.3
1069	VANADIUM CORP AM	70.3	58	1	3311	KEOKUK ELECTRO-MET	10.5	58			05/15/59	3	.3
366X	GENL TEL & ELECTS	1321.0	58	1	3661	LENKURT ELECTRIC	14.5	58			11/19/59	3	.7
295X	RUBEROID CO	65.1	58	1	2274	MASTIC TILE CO AM	18.3	59			09/30/59	1	.3
372X	GENL DYNAMICS	570.6	58	1	327X	MATERIAL SERVICE	93.4	58			12/31/59	5	11.7
366X	TEXAS INSTRUMENTS	79.1	58	1	382X	METALS & CONTROLS	25.3	58		.0	04/17/59	3	1.9
333X	KAISER ALUM &CHEM	754.4	58	1	325X	MEX REFRACTORIES	19.2	58		.0	05/01/59	3	1.7
361X	PORTER H K	104.7	58	1	3351	NATL ELEC PRODS CO	27.5	57		13.8	02/02/59	3	.1-
371X	MACK TRUCKS	284.5	58	1	361X	NO EAST CAPITAL	18.6	58		.0	10/01/59	5	1.9
6153	AMER FACTORS LTD	56.3	59	1	2061	OAHU SUGAR CO LTD	16.1	59			/ /59	1	.4-
2612	CENTRAL FIBRE PRO	37.3	59	1	2612	OHIO BOXBOARD CO	32.7	58			08/05/59	4	2.4
221X	N A F I CORP	25.9	58	1	1312	OIL & GAS PROP MGT	11.9	57	C	19.0	04/30/59	5	.5-
561X	HOWARD STORES COR	18.2	58	1	2311	RIPLEY MFG CORP	10.1	59			12/30/59	1	.2
333X	ALUMINUM CO OF AM	1337.3	58	1	333X	ROME CABLE CORP	24.0	57			03/31/59	1	1.0

AR_001531

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY				***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
203X	DI GIORGIO FRUIT	31.7	58	1	203X	S & W FINE FOODS	16.0	58		.0	02/00/59	3	.7
291X	CONTINENTAL OIL	619.7	58	1	131X	SAN JACINTO PETROL	35.6	58		.0	05/07/59	1	1.5-
504X	SEAMAN BROS INC	13.1	58	1	203X	SEABROOK FARMS CO	20.0	58			05/00/59	2	.4
352X	ALLIS CHALMERS	513.9	58	1	351X	SMITH S MORGAN CO	22.5	57			01/28/59	3	1.6
291X	SUNRAY MID-CONTIN	540.8	58	1	291X	SUNTIDE REFINERY	41.9	58			09/04/59	1	.0
366X	GENL TEL & ELECTS	1321.0	58	1	366X	SYLVANIA ELECTRIC	264.8	58			03/05/59	5	12.7
2037	MINUTE MAID CORP	59.1	58	1	2099	TENCO INC	10.1	58			09/18/59	5	1.9
223X	TEXTRON INC	187.6	58	1	396X	TOWNSEND CO	13.4	58			04/00/59	3	.0
262X	DIAMOND GARDNER	146.5	58	1	275X	U S PRINT & LITHOG	20.5	58			09/28/59	5	2.1
281X	STAUFFER CHEMICAL	145.5	58	1	281X	VICTOR CHEM WORKS	49.2	58		.0	11/01/59	1	3.5
131X	KERN COUNTY LAND	66.1	58	1	371X	WALKER MFG OF WIS	24.0	58		.0	02/19/59	3	1.7
3579	SWINGLINE INC	11.5	60	1	2782	WILSON JONES CO	10.8	59			10/ /59	1	.4
	TOTALS FOR 1959			49	MERGERS	ASSETS ACQUIRED=	$1431.1						
211X	PHILIP MORRIS	297.3	59	1	3421	A S R PRODUCTS	21.9	59			05/03/60	5	1.7
202X	FAIRMONT FOODS CO	37.3	59	1	202X	ABBOTTS DAIRIES	24.2	59			09/21/60	4	1.6
326X	NATL GYPSUM CO	271.8	59	1	324X	ALLENTOWN PORTLAND	19.3	59		31.2	06/30/60	4	3.2
281X	DOW CHEMICAL CO	859.0	59	1	283X	ALLIED LABS INC	28.4	59			08/31/60	3	2.0
361X	MCGRAW EDISON CO	177.7	59	1	358X	AM LAUNDRY MACH CO	49.7	59		.0	04/18/60	3	3.8
371X	KING-SEELEY CORP	28.1	59	1	3429	AMER THERMOS PRODS	23.2	60			12/09/60	3	1.0
372X	TEXTRON INC	218.7	59	2	366X	BELL AIR-DEF/EQITY	31.9	59			07/01/60	3	1.9

AR_001532

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
262X	STANDARD PKGING	62.9	59	1	275X	BROWN & BIGELOW	31.3	59			04/05/60	3	1.9
241X	EMPIRE MILLWORK	16.2	59	1	241X	BRUCE E L CO (DEL)	20.8	59			04/00/60	4	.8
295X	FLINTKOTE CO	179.0	59	1	327X	CAMPBELL HARRY T	11.6	59		13.3	05/04/60	2	1.2
671X	UNITED PACIFIC	15.3	59	1	204X	CENTENNIAL MILLS	11.5	59		.0	06/30/60	5	.2
221X	N A F I CORP	31.0	59	1	3732	CHRIS CRAFT CORP	19.7	59		40.0	04/05/60	5	2.5
	PATRIOT-NEWS CO	.0		1	2721	CONDE NAST PUBL	25.7	59			07/ /60	3	.6-
361X	FED PACIFIC ELEC	52.6	59	1	366X	CORNELL DUBILIER	20.4	59		.0	03/00/60	3	.7
281X	GRACE W R & CO	529.6	59	1	291X	COSDEN PETROLEUM	67.0	59		.0	01/12/60	2	4.8
262X	ST REGIS PAPER CO	449.6	59	1	355X	CREAMERY PKG MFG	17.9	59		.0	01/13/60	2	.7
285X	AMERICAN MARIETTA	287.8	59	1	3241	DEWEY PORTLAND CEM	30.4	59			02/ /60	4	3.3
295X	FLINTKOTE CO	179.0	59	1	324X	DIAMOND PORT CEMNT	10.3	59			06/21/60	4	1.1
383X	FAIRCHILD CAMERA	23.2	59	1	366X	DUMONT A B LABS	20.6	59		.0	04/01/60	3	1.3
262X	ST REGIS PAPER CO	449.6	59	1	2621	HOWARD PAPER MILLS	11.8	59			06/29/60	3	.6
289X	HERCULES POWDER	212.9	59	1	281X	IMPERIAL COLOR CHM	22.5	59			04/01/60	3	1.9
491X	ELECTRIC BOND	132.2	59	1	355X	KIDD W CONSTR CO	30.3	59		.0	11/09/60	5	.1
221X	BURLINGTON IND	525.7	59	1	227X	LEES J & SONS CO	67.0	59		.0	01/27/60	3	5.7
271X	CROWELL-COLLIER	37.4	59	1	271X	MACMILLAN CO	15.3	60			07/00/60	1	1.0
287X	TENNESSEE CORP	66.3	59	1	102X	MIAMI COPPER CO	36.7	59		.0	03/01/60	3	1.5
208X	COCA COLA CO	308.6	59	1	203X	MINUTE MAID CORP	80.6	59		.0	12/30/60	3	4.7
291X	STANDARD OIL N J	9894.7	59	1	131X	MONTEREY OIL	102.2	59		.0	01/12/60	1	2.5
355X	MCNEIL MACH & ENG	26.7	59	1	356X	MYERS F E & BRO CO	12.6	59		.0	03/09/60	3	.9
339X	PARK DROP FORGE	9.1	59	1	339X	OHIO CRANKSHAFT CO	13.6	59		.0	00/00/60	3	.3

AR_001533

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
371X	WHITE MOTOR CO	160.6	60	2	3522	OLIVER FARM EQUIP	52.5	60	00	33.3	10/31/60	3	8.3
363X	SUNBEAM CORP	72.3	59	1	3634	OSTER JOHN MFG CO	17.8	59			04/07/60	3	.4
2871	SPENCER CHEM CO	80.3	59	1	1211	PITTSB&MIDWAY COAL	23.2	59	S	20.1	06/ /60	5	1.8
203X	STANDARD BRANDS	229.6	59	1	207X	PLANTERS NUT & CHO	29.2	59		.0	06/00/60	3	1.8
354X	ROCKWELL MFG CO	104.6	59	1	354X	PORTER CABLE MACH	10.4	59		.0	11/16/60	3	.6
361X	PROGRESS MFG CO	14.3	59	1	333X	READING TUBE CORP	17.8	59		.0	05/23/60	5	.9
492X	TENN GAS TRANS	1746.7	59	1	1312	RENWAR OIL CORP	18.7	60	S	17.8	10/ /60	1	.1-
262X	MINN MINING & MFG	378.9	59	1	3861	REVERE CAMERA CO	17.0	59			08/01/60	3	
262X	UNION BAG CAMP PA	229.1	59	1	262X	RIVER RAISIN PAPER	13.0	59			05/04/60	1	.7
242X	WEYERHAEUSER CO	568.3	59	1	241X	RODDIS PLYWOOD	34.3	59		.0	06/03/60	1	1.7
371X	MAREMONT CORP	18.5	59	1	355X	SACO LOWELL SHOPS	30.6	59		.0	10/00/60	1	2.3
229X	AM MFG CO INC	14.6	59	1	355X	SAFETY IND INC	15.2	59		.0	01/22/60	5	1.0-
261X	ST REGIS PAPER CO	449.6	59	1	2631	SCHMIDT & AULT	10.7	58			05/19/60	1	.7
352X	INT HARVESTER CO	1025.7	59	1	372X	SOLAR AIRCRAFT CO	29.1	59		.0	03/00/60	3	1.4
225X	KAYSER ROTH CORP	70.1	60	1	231X	STEIN A & CO	12.5	59	S	16.1	11/09/60	3	1.2
262X	KALMZO VEG PARCH	40.4	59	1	262X	SUTHERLAND PAPER	57.3	59		.0	01/04/60	3	2.2
366X	LING ELECTRONICS	32.5	59	1	372X	TEMCO AIRCRAFT	34.5	59			07/00/60	5	1.2
131X	UNION OIL & GAS	63.3	59	1	131X	TEX NAT GASOLINE	52.3	59		.0	02/02/60	2	4.5
262X	W VA PULP & PAPER	259.5	59	1	262X	U S ENVELOPE CO	29.2	59		.0	05/00/60	2	1.4
372X	BOEING AIRPLANE	605.3	59	1	372X	VERTOL AIRCRAFT CO	20.5	59			03/31/60	1	.2
203X	HUNT FOODS & IND	174.7	59	1	203X	WESSN OIL & SNOWDR	100.8	59		.0	06/00/60	3	3.3
291X	PURE OIL CO	552.9	59	1	131X	WOODLEY PETROLEUM	30.1	59		.0	01/05/60	1	3.8

TOTALS FOR 1960 51 MERGERS ASSETS ACQUIRED= $1535.1

AR_001534

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
241X	EVANS PRODUCTS	41.8	60	1	2432	ABERDEEN PLYWOOD &	13.4	60			09/00/61	1	.2-
291X	ATLANTIC REFINING	819.9	60	1	1312	ARGO OIL CORP	26.8	60	C	135.5	12/22/61	2	4.9
208X	CENTLEVER BREWING	20.0	60	1	306X	BALDWIN RUBBER CO	11.3	60		.0	06/26/61	5	.6
221X	INDIAN HEAD MILLS	34.6	60	1	221X	BANCROFT J & SONS	22.0	60		.0	08/28/61	2	1.1
281X	DIAMOND ALKALI CO	142.9	60	1	324X	BESSEMER LIMESTONE	12.2	60		.0	04/18/61	1	1.6
208X	NATL DISTIL &CHEM	540.5	60	1	333X	BRIDGEPORT BRASS	88.3	60			06/30/61	5	3.0
208X	SCHLITZ J BREWING	150.0	60	1	208X	BURGERMEISTER BREW	15.3	60		.0	12/29/61	4	.7
291X	CONTINENTAL OIL	832.5	60	1	1381	CALVERT PETROL CO	10.1	59	C	10.0	03/15/61	1	.3
366X	LING TEMCO ELECT	67.0	60	1	372X	CHANCE VOUGHT AIR	101.6	60		.0	01/16/61	3	3.9
281X	MONSANTO CHEMICAL	741.7	59	1	2824	CHEMSTRAND CORP	253.0	59			01/00/61	3	24.1
202X	BORDEN CO	379.9	60	1	2295	COLUMBUS COATED FA	18.3	61	S	33.0	07/26/61	2	1.9
357X	VICTOR ADD MACH	29.2	60	1	357X	COMPTOMETER CORP	16.9	60		.0	07/14/61	1	.5
301X	FIRESTONE TIRE	840.4	60	2	301X	DAYCO CORP	23.6	60		.0	03/08/61	1	
271X	MCGRAW HILL PUB	67.6	60	1	2721	DODGE F W CORP	16.6	59			03/00/61	3	2.4
291X	CONTINENTAL OIL	832.5	60	1	291X	DOUGLAS OIL CO	18.2	60		.0	02/10/61	1	1.0
732X	BREWER C & CO	16.7	60	1	206X	FAJARDO EAST SUGAR	27.4	61	S	14.9	07/27/61	1	.3
208X	NATL DISTIL &CHEM	540.5	60	1	287X	FEDERAL CHEM CO	10.7	59			01/01/61	3	.5
243X	WEYERHAEUSER CO	568.3	60	1	261X	HAMILTON PAPER CO	17.6	60		.0	01/20/61	3	.7
394X	LIONEL CORP	21.2	60	1	382X	HATHAWAY INSTR	11.1	60		.0	08/28/61	3	.8
615X	ALEXANDER & BALD	34.6	60	1	206X	HAWAIIAN COM SUGAR	34.5	60		.0	07/28/61	3	.2
358X	HUPP CORP	54.9	60	1	351X	HERCULES MOTORS	14.4	60		.0	07/03/61	3	.6-
291X	STANDARD OIL IND	2925.7	60	1	131X	HONOLULU OIL	99.2	60		.0	10/00/61	2	10.4

AR_001535

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
355X	MIDLAND ROSS CORP	71.2	60	1	281X	INDUSTRIAL RAYON	69.2	60			05/00/61	5	3.3-
1311	MURPHY CORP	120.6	60	1	2911	INGRAM OIL & REFIN	14.8	60			09/12/61	2	.7
365X	SIEGLER CORP	45.6	60	1	361X	JACK & HEINTZ INC	14.3	60			02/02/61	3	.6
3949	BRUNSWICK CORP	530.4	60	1	3519	KIEKHAEFER CORP	28.4	60	S	34.0	09/29/61	3	.0
284X	WILLIAMS J B CO	30.0	60	1	363X	LANDERS FRARY CLAR	35.7	60		.0	03/31/61	5	.2
331X	WOODWARD IRON CO	73.8	60	1	332X	LYNCHBURG FOUNDRY	13.7	60		.0	06/05/61	2	.7
285X	AMERICAN MARIETTA	353.4	60	1	372X	MARTIN GLENN L CO	246.6	60			10/00/61	5	15.7
349X	CRANE CO	185.8	60	1	3498	MIDWEST PIPING CO	17.8	60	C	18.0	03/30/61	3	1.1
202X	PET MILK	63.4	60	1	2033	MUSSELMAN C H CO	16.2	60			07/12/61	5	.7
324X	MARQUETTE CEMENT	88.7	60	1	324X	NORTH AMER CEMENT	26.0	60			03/00/61	4	1.3
2033	CAMPBELL SOUP CO	353.6	60	1	2051	PEPPERIDGE FARM	10.1	59	S	28.0	01/09/61	3	1.3
371X	FORD MOTOR CO	3756.8	60	1	365X	PHILCO CORP	242.3	61			09/14/61	2	2.3
291X	SOCONY MOBIL OIL	3455.4	60	1	1311	REPUBLIC NATRL GAS	50.3	61	C	148.5	12/ /61	1	6.1
355X	AIR PROD & CHEM	62.2	60	1	281X	SOUTHERN OXYGEN	12.4	60			04/17/61	4	.4
2819	AIR REDUCTION CO	231.0	60	1	3612	SPEER CARBON CO	28.7	61		.0	08/ /61	3	1.7
372X	TEXTRON INC	271.8	60	1	203X	SPENCER KELLOGG	55.5	60		.0	05/25/61	5	1.0
291X	STANDARD OIL CAL	2782.3	60	1	291X	STANDARD OIL KY	141.9	60		.0	10/01/61	4	13.8
262X	HAMMERMILL PAPER	75.8	61	1	262X	STRATHMORE PAPER	12.7	61			11/00/61	3	.4
306X	AMERACE CORP	36.4	60	1	301X	SWAN RUBBER CO	13.0	60		.0	05/00/61	1	1.9
361X	WESTINGHOUSE ELEC	1521.1	60	1	358X	THERMO KING CORP	13.8	60		.0	07/03/61	3	1.5
361X	CONSOL ELEC IND	79.1	60	1	2899	THOMPSON-HAYWARD	11.3	60			06/01/61	5	.5
291X	DELHI TAYLOR OIL	71.5	60	1	131X	THREE STATES NAT	18.9	60			05/26/61	2	.6

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
782X	REPUBLIC CORP	21.8	60	1	358X	UTILITY APPLIANCE	12.1	60		.0	07/00/61	5	.3
356X	UNIVERSAL AM CORP	17.1	60	1	354X	VAN NORMAN IND INC	35.1	60		.0	03/16/61	3	.8
	TOTALS FOR 1961			46	MERGERS	ASSETS ACQUIRED=	$2003.3						
283X	WARNER LAMBERT PH	135.4	61	1	207X	AMER CHICLE CO	60.9	61		.0	07/25/62	3	9.9
306X	AM BILTRITE RUB	50.0	61	1	281X	AMER SYNTH RUBBER	21.6	62			12/00/62	2	.8
494X	GENL WATERWORKS	131.6	61	1	3251	AMER VITRFIED PROD	11.8	62			10/15/62	1	.5
262X	BROWN CO	69.3	61	1	261X	AMER WRIT PAPER	12.0	61		.0	12/17/62	3	.6
333X	AMER METAL CLIMAX	310.3	61	1	334X	APEX SMELTING CO	14.0	61		.0	06/08/62	3	.8
356X	UNIVERSAL AM CORP	33.1	61	1	333X	BOHN ALUM & BRASS	29.0	61		.0	05/29/62	3	1.0
241X	U S PLYWOOD CORP	209.8	61	1	266X	CASCADES PLYWOOD	17.3	61	S	20.0	02/00/62	1	.8
371X	SMITH A O CORP	140.1	61	1	361X	CLARK CONTROLLER	12.7	61		.0	11/16/62	3	.4
241X	BOISE CASCADE	99.1	61	1	261X	COLUM RIVER PAPER	38.4	61		.0	04/00/62	3	2.1
291X	CITIES SERVICE CO	1405.7	61	1	289X	COLUMBIAN CARBON	98.0	61	S	108.0	01/31/62	2	7.4
262X	KIMBERLY CLARK	443.7	62	1	262X	COOSA RIVR-NWSPRNT	68.4	61		.0	05/ /62	4	2.0
241X	GEORGIA PACIFIC	316.1	61	1	261X	CROSSETT CO	71.4	61		.0	07/00/62	4	4.6
262X	CHAMPION PAPERS	238.1	61	1	2654	DAIRYPAK BUTLER	13.5	60	C	15.0	04/04/62	2	1.2
133X	SCHLUMBERGER LTD	174.1	61	1	361X	DAYSTROM INC	58.3	61		.0	01/00/62	3	.6
781X	M C A INC	74.0	61	1	365X	DECCA RECORDS INC	73.5	61	S	87.0	06/18/62	3	4.0
383X	BELL & HOWELL CO	91.4	61	1	3579	DITTO INC	13.5	61	S	17.0	06/01/62	5	.6
221X	PACOLET MFG CO	33.1	61	1	221X	DRAYTON MILLS	13.8	61			12/03/62	3	.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
355X	MERGENTHALER LINO	80.5	61	1	361X	ELECTRIC AUTOLITE	135.4	61			03/28/62	3	2.8
366X	LITTON INDUSTRIES	172.8	61	1	363X	EMERTRON INC	10.3	61		.0	11/06/62	3	.3
221X	BURLINGTON IND	606.4	61	1	221X	ERWIN MILLS INC	43.0	61		.0	01/22/62	1	1.9
345X	MT CLEMENS IND	4.6	61	1	371X	F W D CORP	15.0	61		.0	10/00/62	5	.8-
227X	MOHASCO IND INC	96.7	61	1	227X	FIRTH CARPET CO	17.3	61		.0	01/31/62	1	1.9-
314X	GENESCO INC	163.5	61	1	231X	FLAGG UTICA CORP	13.1	61			09/00/62	5	.6
306X	HEWITT ROBINS INC	28.4	61	1	351X	FOOTE BROS GEAR	16.0	61		.0	06/28/62	3	.4
371X	STUDEBAKER CORP	174.3	61	1	3585	FRANKLIN MFG CO	43.6	62	CS	41.0	11/16/62	5	3.4
203X	HUNT FOODS & IND	229.6	61	1	285X	FULLER W P & CO	17.3	61			02/28/62	5	
371X	MAREMONT CORP	45.1	61	1	371X	GABRIEL CO	16.5	61	S	8.4	09/00/62	3	.7
326X	LOCK JOINT PIPE	42.1	61	1	325X	GLADDING MCBEAN CO	41.9	61			09/27/62	3	1.9
352X	CLETRAC CORP	38.2	61	1	291X	HESS COMPANIES	109.8	61			05/23/62	5	
104X	SO AMER GOLD&PLAT	22.8	60	1	1311	INTL MINING CORP	28.9	61			01/00/62	5	6.9
36XX	ELECTRONIC SPECLT	12.2	61	1	343X	IRON FIREMAN	16.2	61		.0	05/31/62	3	.6
333X	AMER METAL CLIMAX	310.3	61	1	344X	KAWNEER CO	25.1	61			08/31/62	2	1.9
295X	CERTAIN-TEED PROD	102.4	61	2	3292	KEASBEY & MATTISON	16.5	62	S	21.9	06/01/62	5	1.2
365X	SIEGLER CORP	58.3	61	1	366X	LEAR INC	59.9	61		.0	06/05/62	3	3.3
483X	BARTELL BROADCAST	10.6	61	1	271X	MACFADDEN PUBLICNS	10.0	61		.0	03/00/62	3	.1
331X	SHARON STEEL CORP	99.4	61	1	3441	MACOMBER INC	10.6	61			08/31/62	3	.0
671X	NEWMONT MINING	113.0	61	1	102X	MAGMA COPPER	143.6	61		.0	05/00/62	1	9.6
341X	AMERICAN CAN CO	917.2	61	1	281X	METAL & THERMIT	28.6	61		.0	08/29/62	2	1.5
5042	CONSOL FOODS CORP	139.4	61	1	2033	MICH FRUIT CANNERS	10.0	60			03/30/62	3	.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
356X	INGERSOLL RAND	186.1	61	1	35XX	MILLERS FALLS CO	14.7	61			07/17/62	3	.4
221X	PACOLET MFG CO	33.1	61	1	221X	MONARCH MILLS	20.6	61			12/03/62	1	.6
281X	CHEMETRON CORP	135.3	61	1	281X	NO CHEMICAL IND	12.6	61		.0	12/00/62	3	.3
291X	STANDARD OIL N J	10494.4	61	1	291X	OLIN OIL & GAS	57.0	61		.0	05/00/62	1	3.2
221X	BELL CO/P C C	6.8	61	1	344X	PACIFIC COAST N J	11.7	61			04/24/62	5	1.3
281X	HOOKER CHEMICAL	187.3	61	1	285X	PARKER RUST PROOF	11.0	61		.0	03/30/62	3	1.7
2819	AIR REDUCTION CO	276.9	61	1	3313	PITTS METALLURG CO	27.7	62	S	28.0	10/31/62	2	2.0
281X	MONSANTO CHEMICAL	1142.2	61	1	282X	PLAX CORP	30.5	61		.0	10/01/62	2	.2
291X	MARATHON OIL CO	469.9	61	1	291X	PLYMOUTH OIL CO	80.8	61		.0	04/03/62	1	2.0-
2844	DUNHILL INTL	26.0	61	1	3069	PYRAMID RUBBER COS	14.5	60	S	30.0	02/15/62	5	1.5
492X	EL PASO NAT GAS	1504.9	61	1	109X	RARE METALS CORP	11.7	61		.0	05/08/62	5	.5
324X	LONE STAR CEMENT	169.5	61	1	1441	SO MATERIALS CO	16.7	61		14.6	07/03/62	2	1.6
361X	SERVEL INC	19.3	61	1	384X	SONOTONE CORP	12.0	61		.0	09/20/62	3	.1-
291X	TEXACO INC	3902.1	61	1	1311	T X L OIL CORP	39.8	61			04/19/62	1	2.6
131X	CONSOL OIL & GAS	4.9	61	1	131X	TEKOIL CORP	12.4	61		.0	02/27/62	2	.7-
291X	UNION OIL OF CAL	761.5	61	1	131X	TEX NAT PETROL CO	37.0	61		.0	05/29/62	4	.3
291X	SINCLAIR OIL	1507.2	61	1	291X	TEXAS BUTADIENE CO	42.7	61		.0	06/00/62	2	3.2
121X	CONSOL COAL CO	365.1	61	1	121X	TRUAX TRAER COAL	38.4	61		.0	01/23/62	1	3.6
361X	EMERSON ELEC MFG	95.0	61	1	3621	U S ELEC MOTORS	28.2	61	S	50.6	07/31/62	3	3.4
281X	ALLIED CHEMICAL	800.8	61	1	131X	UNION TEX NAT GAS	165.2	61			02/20/62	2	12.7
291X	GULF OIL CORP	4054.6	61	1	1311	UNIV CONSOL OIL CO	28.4	61	C	64.4	04/17/62	1	3.4
621X	ATLAS CORP	70.7	61	1	109X	URANIUM REDUCTION	16.1	61		.0	06/04/62	5	2.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
371X	DIVCO-WAYNE CORP	17.3	61	2	3791	VOUGHT INDS/L-T-V	20.9	61			03/ /62	3	1.5-
3634	EMERSON ELEC MFG	82.4	61	1	3822	WHITE-RODGERS CO	12.1	61			02/28/62	3	.2
2023	PET MILK	90.2	62	1	2071	WHITMAN STEPHEN F	10.5	62			12/31/62	3	.6
283X	PFIZER CHAS & CO	308.4	61	1	2816	WILLIAMS C K	22.0	61			10/15/62	3	1.1
	TOTALS FOR 1962			65 MERGERS		ASSETS ACQUIRED=	$2251.9						
291X	CONTINENTAL OIL	1241.1	62	1	287X	AMER AGRIC CHEM CO	80.2	62		.0	04/24/63	3	4.7
281X	F M C CORP	371.0	62	1	281X	AMER VISCOSE CORP	334.8	62			08/05/63	2	14.0
	CONSOL GOLD FIELD	.0		1	1031	AMER ZINC LEAD&SME	38.8	62	C	17.5	05/21/63	1	2.2
3451	DEFIANCE INDS INC	9.9	63	1	2851	BALT PAINT & CHEM	10.6	62			08/00/63	5	.1
366X	I T & T	1235.8	62	1	343X	BELL & GOSSETT CO	26.9	62		.0	09/27/63	3	2.3
508X	HOUSTON OIL FIELD	17.8	62	1	349X	BLACK SIV BRYSON	33.5	62		.0	05/16/63	3	.3-
284X	PUREX CORP LTD	57.4	62	1	284X	BRILLO MFG CO	11.5	62		.0	12/20/63	3	.9
357X	ADDRESS-MULTIGRPH	133.2	63	1	383X	BRUNING CHARLES CO	37.2	62			11/30/63	3	2.7
366X	I T & T	1235.8	62	1	361X	CANNON ELECTRIC CO	31.5	63			11/22/63	3	2.3
3449	JIM WALTER CORP	122.0	62	1	266X	CELOTEX CO	76.4	62			03/01/63	2	2.4-
291X	AMER PETROFINA	89.8	62	2	291X	COSDEN PETR/GRACE	73.9	62			04/27/63	1	4.8
283X	PFIZER CHAS & CO	357.1	62	1	284X	COTY INC	11.9	63	C	16.7	09/00/63	3	.4
6711	TRANSAMERICA	362.7	63	1	3511	DELAVAL TURBINE	24.4	63			12/31/63	5	
371X	EATON MFG CO	153.2	62	1	3494	DOLE VALVE	12.0	61		15.5	02/28/63	3	.9
291X	SINCLAIR OIL	1515.3	62	1	138X	DRILL & EXPLOR CO	19.5	62		.0	10/00/63	2	.8

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
331X	INTERLAKE IRON	129.5	62	1	1211	ENOS COAL MINING	15.2	62			04/30/63	5	.3
221	BURLINGTON IND	667.2	62	1	221	FABREX	13.6	61		5.4	01/03/63	1	.0
284X	PROCTER & GAMBLE	109.0	62	1	209X	FOLGER J A & CO	69.3	62		.0	09/03/63	3	
363X	SINGER CO	648.0	62	1	357X	FRIDEN INC	73.3	62		.0	07/17/63	5	5.7
366X	I T & T	1235.8	62	1	381X	GENL CONTROLS	32.4	62		.0	03/30/63	3	1.2-
492X	TENN GAS TRANS	2131.4	62	1	281X	HEYDEN NEWPORT CH	66.4	62		.0	06/03/63	2	2.7
291X	ATLANTIC REFINING	908.3	62	1	1311	HONDO OIL & GAS CO	27.1	62	S	36.6	10/01/63	4	1.5
333X	AMER METAL CLIMAX	348.0	62	1	336X	HUNTER ENGINEERING	24.0	62			05/00/63	3	.7
651X	KRATTER CORP	66.3	62	1	208X	JACOB RUPPERT	12.2	62			08/00/63	5	.7
241X	U S PLYWOOD CORP	236.1	62	1	241X	MCCLOUD RIVER LUM	16.4	63			08/12/63	3	1.7
371X	WHITE MOTOR CO	226.6	62	1	352X	MOTEC INDUSTRIES	57.2	62		.0	01/29/63	1	1.4
326X	NORTON CO	191.8	62	1	356X	NATL RESEARCH CORP	14.7	62			05/07/63	5	.6
366X	I T & T	1235.8	62	1	343X	NESBITT JOHN J INC	12.9	62		.0	12/31/63	3	1.0
372X	TEXTRON INC	308.6	62	1	352X	PARKERSBURG AETNA	17.0	62		.0	08/06/63	3	.9
371X	DANA CORP	138.6	62	1	356X	PERFECT CIRCLE	39.5	62		.0	07/01/63	3	3.9
342X	AMER HARDWARE CO	68.8	62	1	229X	PLYMOUTH CORDAGE	35.5	62			01/00/63	5	1.9
291X	STANDARD OIL OHIO	431.7	62	2	3981	PRO-PHY-LAC/W-L PH	12.6	62	CS	7.9	03/19/63	3	.6
241X	GEORGIA PACIFIC	477.0	62	1	261X	PUGET SOUND PULP	66.0	62		.0	04/15/63	3	4.8
655X	JIM WALTER CORP	122.0	62	1	206X	SOUTH COAST CORP	18.0	63			08/00/63	2	.9
306X	DUNHILL INTL	45.6	62	1	394X	SPALDING A G BROS	39.0	62			06/ /63	5	.7
291X	GULF OIL CORP	4243.6	62	1	287X	SPENCER CHEMICAL	123.3	62		.0	09/11/63	2	6.5
241X	GEORGIA PACIFIC	477.0	62	1	262X	ST CROIX PAPER CO	29.4	62		.0	03/00/63	2	1.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2033	HEINZ H J CO	285.1	61	1	2031	STAR-KIST FOODS	38.7	61			04/00/63	3	1.9
281X	PENNSALT CHEM	111.1	63	1	3559	STOKES F J CORP	13.5	62			12/31/63	5	.9
291X	SUNSET INTL PETR	47.7	62	1	131X	SUNAC PETROLEUM	12.3	62			07/09/63	4	6.5-
291X	CITIES SERVICE CO	1505.8	62	1	287X	TENNESSEE CORP	100.0	62		.0	06/14/63	3	10.3
208X	DISTILLRS-SEAGRAM	673.4	63	1	1311	TEX PAC COAL & OIL	93.6	63	C	276.6	11/01/63	5	7.9
356X	BELL INTRCONTINTL	63.2	62	1	372X	TWIN INDUSTRIES	14.5	62		.0	06/28/63	3	.2
352X	CLARK EQUIPMENT	148.0	62	1	358X	TYLER REFRIG CORP	13.0	63			09/30/63	3	.9
357X	OLIVETTI & CO	250.0	62	1	357X	UNDERWOOD CORP	96.0	62		.0	07/00/63	4	8.1-
291X	ASHLAND OIL	226.1	62	1	2895	UNITED CARBON CO	93.7	62	C	150.0	02/28/63	2	7.1
372X	GENL DYNAMICS	655.7	62	1	121X	UNITED ELECT COAL	27.8	62			12/00/63	1	2.5
291X	SOCONY MOBIL OIL	4136.5	62	1	287X	VA CAROLINA CHEM	92.9	62		.0	08/12/63	3	4.4
204X	RALSTON PURINA CO	266.5	62	1	203X	VAN CAMP SEA FOOD	47.8	62	S	70.0	06/28/63	3	3.2
121X	ISLAND CREEK COAL	77.7	62	1	121X	W KENTUCKY COAL CO	39.6	62		.0	09/03/63	1	.3
291X	SINCLAIR OIL	1515.3	62	1	131X	WEST NATURAL GAS	76.4	62		.0	11/26/63	3	3.0
394X	AMER MACH & FOUND	386.3	62	1	352X	WEST TOOL & STAMP	13.1	63			07/27/63	5	1.0
271X	TIMES MIRROR CO	10.3	62	1	273X	WORLD PUBLISHING	10.7	62		.0	12/12/63	3	.5
371X	EATON MFG CO	153.2	62	1	352X	YALE & TOWNE MFG	114.1	62			04/02/63	3	4.9
	TOTALS FOR 1963			54	MERGERS	ASSETS ACQUIRED=	$2535.8						
331X	INTERLAKE IRON	142.6	63	1	331X	ACME STEEL	134.4	63		.0	12/17/64	2	5.4
281X	EAGLE-PICHER CO	69.7	63	1	355X	AKRON STANDRD MOLD	10.4	63	S	8.3	07/00/64	3	.8

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
356X	WORTHINGTON CORP	171.1	63	1	374X	ALCO PRODUCTS	99.6	63		.0	12/31/64	3	3.4
	BANK MENDESGAN NV	.0		2	2253	AMER ARGO/ATLAS GE	12.0	63	C	12.5	09/00/64	5	.4
291X	STANDARD OIL N J	11996.7	63	1	2813	AMER CRYOGENICS	24.8	63			03/ /64	3	1.1
361X	CONSOL ELEC IND	130.9	63	1	225X	ATLAS GENL INDUSTS	38.9	63		.0	09/14/64	3	2.1
422X	PUNTA ALEGRE SUG	20.3	63	1	373X	BANGOR AROOSTOOK	64.5	63		.0	10/00/64	5	1.1
504X	CONSOL FOODS CORP	186.8	63	1	203X	BOOTH FISHERIES	22.8	62			01/00/64	3	1.4
201X	UNDERWOOD WILLIAM	10.0	63	1	203X	BURNHAM MORRILL CO	11.0	63		.0	12/00/64	3	.8
371X	KERN COUNTY LAND	145.4	63	1	352X	CASE J I CO	168.7	63		.0	05/22/64	5	6.7
331X	U S STEEL	5033.5	63	1	326X	CERTIFIED INDS INC	11.1	63	C	6.3	04/ /64	2	.7-
281X	CELANESE CORP	551.0	63	1	291X	CHAMPLIN OIL REFNG	142.4	63		.0	11/03/64	2	10.6
284X	LANVIN PARFUMS	12.8	63	1	284X	CHAS OF THE RITZ	19.4	62		.0	01/21/64	1	1.6
358X	VENDO CORP	44.3	63	1	358X	CONTL VENDG MACH	26.9	63		.0	07/10/64	1	3.6-
492X	TENN GAS TRANS	2234.2	63	2	131X	DELHI TAYLOR OIL	52.4	63		.0	09/01/64	1	.1-
291X	CONTINENTAL OIL	1462.8	63	2	131X	DELHI TAYLOR OIL	52.4	63		.0	09/01/64	1	.1-
281X	CELANESE CORP	551.0	63	2	285X	DEVOE & RAY/MERRIT	44.5	63			08/00/64	3	3.6
225X	ATLAS GENL INDUST	37.6	63	1	3571	DIGITRONICS CORP	10.1	63	C	6.0	06/16/64	5	1.1-
281X	GRACE W R & CO	723.5	63	1	284X	DU BOIS CHEMICALS	16.4	62			05/00/64	3	3.1
208X	COCA COLA CO	459.4	63	1	209X	DUNCAN FOODS	32.5	63		.0	05/30/64	3	1.8
342X	AMER HARDWARE CO	100.0	63	1	355X	EMHART MFG CO	54.4	63		.0	06/30/64	3	3.1
281X	CELANESE CORP	551.0	63	1	307X	FED ENMLNG & STMPG	10.7	64			11/25/64	2	1.0
366X	LITTON INDUSTRIES	354.9	63	1	262X	FITCHBURG PAPER	13.9	63		.0	09/25/64	2	.8
291X	SIGNAL OIL & GAS	384.6	63	1	372X	GARRETT CORP	120.0	63		.0	01/24/64	5	5.5

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
614X	C I T FINANCIAL	2721.6	63	1	275X	GIBSON GREETNG CRD	27.4	62			03/ /64	5	1.8
366X	I T & T	1469.2	63	1	366X	GILFILLAN CORP	14.1	63			01/31/64	3	.6
289X	HERCULES POWDER	345.6	63	1	307X	HAVEG INDUSTRIES	15.8	63		.0	06/25/64	2	1.3
356X	INGERSOLL RAND	228.0	63	1	3554	IMPROVED MACHINERY	17.9	63			05/00/64	3	1.3
131X	OCCIDENTAL PETRLM	80.8	63	1	147X	JEFFRSN LAKE SULPH	34.6	63		.0	03/02/64	3	1.0
372X	TEXTRON INC	288.9	63	1	354X	JONES & LAMSN MACH	14.5	63		.0	02/07/64	3	.2
221X	STEVENS J P & CO	423.5	63	1	2271	KARAGHEUSIAN A & M	21.7	63			02/18/64	3	.2
205X	AMER BAKERIES CO	53.6	63	1	205X	LANGNDORF UNTD BAK	18.0	63		.0	05/22/64	4	1.0
27XX	STANDARD INTL	16.9	63	1	284X	LESTOIL PRODUCTS	16.8	64			11/10/64	3	.2-
283X	ABBOTT LABS INC	178.9	63	1	202X	M & R DIETETIC LAB	20.0	62			02/00/64	3	1.9
365X	AMPEX CORP	69.2	63	1	367X	MANDREL INDUSTRIES	33.8	62			03/04/64	3	1.3
355X	DRESSER IND INC	220.8	63	1	381X	MANNG MAXWLL MOORE	38.1	63		.0	11/27/64	3	1.5
372X	THMPSN RAMO WOOLD	261.6	63	1	356X	MARLIN ROCKWELL	38.0	63			10/10/64	3	3.4
356X	REX CHAINBELT INC	74.4	63	1	352X	MATHEWS CONVEYOR	10.6	63		.0	12/31/64	3	.6
291X	STANDARD OIL IND	3206.6	63	1	131X	MIDWEST OIL CORP	62.7	63		.0	04/00/64	2	10.0
501X	GULF & WESTERN	48.1	63	1	342X	MILLER MFG	10.0	63		.0	12/15/64	3	.5
283X	STANLEY WARNER	115.4	63	1	289X	MORNINGSTAR PAISLY	18.0	63		.0	07/07/64	3	.2
204X	GENL MILLS INC	266.7	63	1	209X	MORTON FOODS	14.3	63			02/28/64	3	.8
301X	GOODYEAR TIRE	1254.1	63	1	371X	MOTOR WHEEL	34.6	63		.0	01/00/64	3	.9
671X	BUCKEYE CORP	22.0	63	1	345X	MT CLEMENS IND	24.3	63		.0	04/00/64	3	.3-
281X	HOOKER CHEMICAL	216.9	63	1	2871	NATL PHOSPHATE COR	10.5	63			02/24/64	3	.2
205X	WARD BAKING CO	37.6	63	1	2095	NOMA CORP	13.0	63			05/23/64	5	.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2421	POTLATCH FORESTS	147.4	63	1	2621	NORTHWEST PAPER CO	46.5	63			05/28/64	2	1.7
225X	ATLAS GENERAL IND	38.9	63	1	3679	OHMITE MFG CO	11.0	63	C	18.3	05/07/64	3	1.0
206X	SO PUE RICO SUGAR	80.7	64	1	2061	OKEELANTA SUGR REF	18.2	63	CS	18.5	10/30/64	1	.7
356X	BELL INTRCONTINTL	63.2	63	1	361X	PACIFIC INDUSTRIES	16.1	63		.0	01/00/64	3	.5
331X	HARSCO CORP	67.1	63	1	3449	PATENT SCAFFOLDING	17.3	63			01/02/64	3	1.2
356X	INGERSOLL RAND	228.0	63	1	342X	PENDLTN TOOL INDUS	19.3	62			02/28/64	3	1.6
283X	MALLINCRODT CHEM	39.1	63	1	306X	PIONEER PLASTICS	10.0	63		.0	12/00/64	2	.7
231X	WARNER BROS	38.0	63	1	225X	PURITAN SPORTSWEAR	14.0	63		.0	03/11/64	3	.7
233X	PURITAN FASHIONS	14.9	63	2	231X	RELIANCE MFG/SAFIE	18.7	63			11/20/64	3	.3-
532X	SEARS ROEBUCK CO	3668.6	63	1	363X	ROPER GEORGE D	17.9	63		.0	07/27/64	2	1.2
372X	THMPSN RAMO WOOLD	261.6	63	1	371X	ROSS GEAR & TOOL	25.0	63			06/18/64	3	2.3
349X	WALLACE WILLIAM	13.9	63	1	371X	SCHWITZER CORP	13.2	63		.0	10/30/64	3	1.6
357X	I B M	1984.5	63	1	272X	SCI RESEARCH ASSOC	10.8	63		.0	02/28/64	3	1.3
291X	PHILLIPS PETROL	1759.9	63	1	265X	SEALRITE OSWEGO	42.5	63		.0	10/06/64	2	2.6
202X	BORDEN CO	551.8	63	1	287X	SMITH-DOUGLASS CO	68.6	64			12/09/64	3	4.4
331X	ALLEG LUD STEEL	196.9	63	1	331X	SPECIAL METALS INC	11.0	63		.0	12/21/64	3	.5
121X	WESTMORELAND COAL	12.4	63	1	121X	STONEGA COAL COKE	14.1	63		.0	04/00/64	1	.5
356X	HOOVER BALL BEAR	26.7	63	1	371X	STUBNITZ GREENE CO	12.7	63		.0	08/12/64	3	.5
372X	MARTIN MARIETTA	542.0	63	1	366X	TELEREGISTER CORP	31.3	62		.0	06/11/64	3	.8
291X	SINCLAIR OIL	1618.9	63	1	131X	TEXAS GULF PROD CO	69.7	63		.0	12/02/64	1	8.7
352X	KOEHRING CO	58.9	63	1	3531	THEW SHOVEL CO	23.8	62			02/10/64	1	.6
284X	RAYETTE INC	38.4	63	1	396X	TIP TOP PRODUCTS	10.4	63		.0	04/00/64	1	1.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
366X	HOFFMAN ELTRNCS	21.7	63	1	365X	TRAV-LER IND INC	11.5	64		.0	08/18/64	3	.3
281X	GRACE W R & CO	723.5	63	1	204X	WALNUT GROVE PROD	18.9	63		.0	09/29/64	5	1.6
492X	TENN GAS TRANS	2234.2	63	1	1311	WILCOX OIL CO	13.7	63			07/21/64	1	1.4
345X	SCREW & BOLT CORP	19.4	63	1	3316	WYCKOFF STEEL CO	11.8	63	C	11.6	12/31/64	2	.7
356X	UNIVERSAL AM CORP	125.3	63	1	349X	YOUNG SPRING &WIRE	22.0	63	C	9.0	01/ /64	3	1.0
	TOTALS FOR 1964			73	MERGERS	ASSETS ACQUIRED=	$2302.9						
505X	CONTINENTAL GRAIN	.0		1	2042	ALLIED MILLS	53.7	64			09/30/65	2	3.2
3662	RAYTHEON	235.7	64	1	3632	AMANA REFRIGRATION	17.4	64			03/05/65	3	.2
492X	PANHNDL ESTRN PIP	407.9	63	1	131X	AMBASSADOR OIL COR	28.8	64		31.0	08/03/65	2	1.1
209X	CITY PRODUCTS COR	165.6	64	1	251X	AMERICAN FURNITURE	14.5	64			05/12/65	2	1.5
2011	ARMOUR & CO	503.9	64	1	352X	BALDWIN LIMA HMLTN	133.7	64			07/02/65	5	3.2
241X	GEORGIA PACIFIC	643.0	64	1	326X	BESTWALL GYPSUM	63.9	64			05/26/65	5	5.8
492X	TENN GAS TRANS	2357.4	64	1	289X	CALIFORNIA INK CO	10.6	64			03/02/65	1	.7
492X	TENN GAS TRANS	2234.2	63	1	2821	CARY CHEMICALS INC	27.6	63			04/12/65	2	1.3-
372X	RYAN AERONAUTICAL	39.3	64	1	351X	CONTINENTAL MOTORS	74.9	64			10/31/65	3	1.7
221X	INDIAN HEAD MILLS	73.4	64	1	326X	DETROIT GASKET&MFG	17.6	64	C	19.0	01/29/65	3	1.7
2841	BRISTOL MYERS CO	136.8	63	1	2842	DRACKET CO	30.7	64		150.0	08/02/65	3	5.1
367X	VARIAN ASSOCS	69.4	64	1	367X	EITEL MCCULLOUGH	21.8	64		14.0	08/04/65	1	.6
283X	AMER HOME PRODUCT	347.0	64	1	346X	EKCO PRODUCTS	98.8	64		162.6	09/30/65	3	7.6
2531	NATL UNION ELEC	20.5	64	1	3651	EMERSON RADIO&PHON	48.5	64			06/25/65	3	2.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY				***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
494X	GENL WATERWORKS	244.8	64	2	202X	FOREMOST DAIRIES	17.5	64	C	19.7	01/01/65	5	
2086	PEPSI COLA	164.9	64	1	2099	FRITO - LAY	61.8	64			06/00/65	3	7.8
	CORP INVESTMENTS	0		2	371X	FWD CORP/MT CLEMEN	24.8	64			12/00/65	5	.7
371X	WESTINGHOUSE AIR	215.0	64	1	35XX	GOODMAN MFG CO	17.7	63		9.5	09/01/65	3	.4
262X	GREAT NO PAPER CO	139.0	65	1	2631	GREAT SO LAND & PA	61.1	65			10/01/65	3	.4-
281X	F M C CORP	569.8	64	1	3441	GUNDERSON BRO ENGR	11.5	65			07/00/65	3	1.0
262X	DIAMOND INTL CORP	218.2	64	1	3411	HEEKIN CAN CO	20.8	64			04/15/65	3	1.4
366X	LITTON INDUSTRIES	423.7	64	1	356X	HEWITT ROBINS	48.5	63			03/16/65	3	1.6
614X	GENL ACCEPTANCE	485.4	63	1	3715	HIGHWAY TRAILR IND	17.7	64			10/00/65	5	5.7-
5042	CONSOL FOODS CORP	226.5	64	1	2071	JOE LOWE CORP	24.1	64			06/25/65	3	2.2
203X	HUNT FOODS & IND	373.0	64	1	321X	KNOX GLASS	27.0	64		10.0	10/15/65	2	.5
204X	RIVER BRAND RICE	11.7	64	1	2044	LA STATE RICE MILL	11.3	64			01/25/65	1	.5
349X	DIEBOLD INC	35.8	64	1	353X	LAMSON CORP	10.0	64			06/14/65	3	.5
671X	PHIL & READING	145.0	64	1	331X	LONE STAR STEEL CO	156.0	64			08/24/65	3	7.3
314X	GENESCO INC	282.0	64	1	2253	MAJESTIC SPEC INC	11.0	64	S	15.7	02/20/65	3	1.0
349X	AMER CHAIN &CABLE	88.4	64	1	352X	MECH HANDLING SYST	10.0	65			11/00/65	5	.6
401X	CHICAGO & NW RR	610.4	64	1	281X	MICH CHEMICAL CO	17.7	64			08/20/65	3	1.0
241X	BOISE CASCADE	341.4	64	1	262X	MINN & ONTARIO PAP	110.7	63			02/00/65	1	4.9
3612	CENTRAL TRANSFORM	7.3	64	1	3612	MOLONEY ELECTRIC	14.0	64		5.6	09/30/65	1	1.9-
333X	U S SMELT RFG MNG	88.8	64	1	333X	MUELLER BRASS CO	48.7	64			04/06/65	2	.4
371X	ROCKWELL STANDARD	223.0	64	1	3599	MURRAY CO OF TEXAS	25.8	64		38.0	12/01/65	3	3.1
2082	FALSTAFF BREWING	78.7	64	1	2082	NARRAGANSETT BREW	18.0	64		19.5	07/15/65	4	.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
355X	MIDLAND ROSS CORP	130.9	64	1	331X	NATL CASTINGS	43.7	64			04/00/65	3	2.7
349X	COMBUSTION ENGR	217.7	64	1	349X	NATL TANK CO	34.7	64			09/23/65	3	4.0
324X	COPLAY CEMENT MFG	8.3	64	1	324X	NAZARETH CEMENT	10.4	64		4.1	12/21/65	4	.2
501X	GULF & WESTERN	68.4	64	1	333X	NEW JERSEY ZINC	143.0	64		84.0	10/00/65	5	7.5
6211	ROCK INDUSTRIES	.0		1	3281	NEW YORK TRAPROCK	38.8	64			02/19/65	5	1.2
363X	SUNBEAM CORP	163.0	63	1	3634	NORTHERN ELECTRIC	13.5	64	CS	20.0	01/11/65	3	1.7
203X	HEINZ H J CO	370.0	64	1	203X	ORE IDA FOODS	28.8	64		29.7	11/02/65	3	1.3
324X	LONE STAR CEMENT	190.1	64	1	324X	PACIFIC CEM & AGGR	31.2	64		23.0	08/31/65	4	2.0
492X	TENN GAS TRANS	2234.2	63	1	265X	PACK CORP OF AMER	126.5	64		113.4	06/08/65	5	6.4
3841	RITTER CO	35.8	64	1	3841	PATTERSN M F DENTL	16.1	64			04/27/65	1	.5
2111	REYNOLDS R J	1019.2	64	1	204X	PENICK & FORD	39.8	64			06/09/65	3	4.4
221X	WEST POINT MFG	111.7	64	1	221X	PEPPERELL MFG CO	64.5	64			03/29/65	1	3.8
262X	SCOTT PAPER CO	413.8	64	1	2641	PLAST COATNG-TCHFX	20.2	64		56.6	06/21/65	3	2.3
291X	UNION OIL OF CAL	916.5	64	1	291X	PURE OIL	766.1	64			08/01/65	4	31.5
372X	FAIRCHILD HILLER	35.0	63	1	372X	REPUBLIC AVIATION	71.9	64		40.4	09/30/65	1	8.9-
326X	BRIGGS MFG CO	22.5	64	1	363X	REPUBLIC-TRANSCON	25.6	64			10/00/65	3	.9-
358X	PFAUDLER PERMUTIT	44.8	64	1	384X	RITTER CORP	51.5	64			11/01/65	5	2.6
366X	LITTON INDUSTRIES	423.7	64	1	357X	ROYAL MCBEE	70.1	64			03/00/65	3	1.4
355X	LANSTON INDS INC	6.6	63	1	2753	SECURITY-COL BANKN	10.2	63			03/ /65	2	.4
34XX	WALLACE MURRAY	77.0	65	1	342X	SIMONDS SAW & STEE	52.8	64		65.0	12/24/65	3	4.6
509X	BANGOR PUNTA ALE	69.5	64	1	195X	SMITH & WESSON	13.2	64		21.0	10/00/65	5	1.1
356X	FED MOGUL BOWER	118.7	64	1	356X	STERLING ALUM PROD	10.1	64			04/30/65	3	.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
202X	FOREMOST DAIRIES	149.7	64	1	283X	STRONG COBB ARNER	16.3	64		14.0	07/19/65	5	1.7
352X	CATERPILLAR TRCTR	851.9	64	1	352X	TOW MOTOR CORP	41.0	64		69.0	11/16/65	3	5.3
361X	BENDIX CORP	436.1	64	1	1382	UNITED GEOPHYSICAL	10.1	64			05/27/65	5	1.0
3432	MURRAY CORP OF AM	37.1	64	1	34XX	WALLACE CORP WM	40.1	64			09/00/65	3	2.4
494X	GENL WATERWORKS	164.0	63	1	349X	WALWORTH CO	41.4	64			07/00/65	2	1.2-
355X	KIDDE WALTER & CO	35.0	64	1	254X	WEBER SHOWCASE	13.9	64			06/15/65	3	.8
	TOTALS FOR 1965			64	MERGERS	ASSETS ACQUIRED=	$3253.7						
356X	MUSKEGON PISTON	15.4	65	1	371X	A P PARTS	52.2	65			04/01/66	3	
366X	LEAR SIEGLER	117.1	65	1	349X	AMER METAL PRODCTS	56.9	65			11/15/66	5	4.3
342X	STANLEY WORKS	125.9	65	1	3429	AMEROCK CORP	28.3	65	CS	32.0	08/00/66	3	2.8
211X	AMER TOBACCO	849.9	65	1	208X	BEAM JAMES B DISTL	54.1	66		111.4	12/00/66	5	7.0
372X	TEXTRON INC	374.3	65	1	357X	BOSTITCH	37.4	64	S	53.0	09/01/66	5	3.9
202X	DEAN FOODS	29.8	65	1	2026	BOWMAN DAIRY	25.8	65	C	12.0	01/19/66	1	.2-
283X	AMER HOME PRODUCT	465.8	65	1	207X	BRACH E J	52.3	65	S	136.8	05/20/66	3	6.8
361X	ELTRA CORP	206.5	65	1	204X	BURRUS MILLS	17.1	64			03/00/66	5	.7
291X	ASHLAND OIL	356.0	65	1	281X	CATALIN CORP	10.6	64		8.3	01/00/66	2	.4
225X	KAYSER-ROTH CORP	159.6	65	1	231X	COLONIAL CORP AMER	41.0	64		36.0	03/31/66	3	5.1
381X	HONEYWELL	598.2	65	1	357X	COMPUTER CONTROL	16.5	65	S	28.0	05/00/66	3	.4
291X	CONTINENTAL OIL	1679.5	65	1	121X	CONSOLIDATION COAL	446.1	65			09/15/66	3	41.2
366X	GENL PRECISION EQ	152.6	65	1	381X	CONTROLS CO AMER	37.0	64	S	37.0	05/20/66	3	2.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
221X	INDIAN HEAD INC	111.6	65	1	3461	DETROIT ENGR &MACH	18.4	66	CS	16.2	10/05/66	3	1.9
208X	ASSOCTED BREWING	24.4	65	1	208X	DREWRYS LTD USA	30.0	64			01/01/66	1	.8
356X	KIDDE WALTER & CO	77.9	65	1	371X	DURA CORP	42.8	66	S	59.4	12/00/66	3	2.5
363X	ROPER GEORGE D	57.5	65	1	259X	EASTERN PRODUCTS	16.3	65			04/13/66	3	1.0
2542	MARMON GROUP INC	28.8	66	1	349X	FENESTRA INC	21.9	66			12/00/66	5	.0
314X	U S SHOE	48.9	65	1	3141	FREEMAN-TOOR CORP	20.0	65		22.2	08/31/66	1	1.4
354X	GIDDINGS & LEWIS	29.8	65	1	354X	GISHOLT CORP	20.8	65		13.7	06/30/66	1	1.7
325X	GENL REFRACTORIES	132.5	65	2	149X	GT LAKES CARBN DIV	11.5	65		21.0	05/16/66	3	1.0
295X	CERTAIN TEED PROD	93.5	65	1	326X	GUSTIN BACON MFG	33.5	65			07/01/66	3	1.9
3721	NORTHROP CORP	158.1	65	1	365X	HALLICRAFTERS	15.7	66	S	13.5	12/29/66	3	1.9-
131X	KEWANEE OIL	85.4	65	1	281X	HARSHAW CHEMICAL	50.3	65			12/05/66	5	3.0
366X	RAYTHEON	273.7	65	1	27XX	HEATH D C	17.7	65			07/22/66	5	1.8
205X	WARD FOODS	45.1	64	1	3551	HONOLULU IRON WORK	35.9	65		12.5	01/12/66	5	1.0
202X	PET MILK	161.3	64	1	358X	HUSSMAN REFRIGERTR	33.0	64	S	31.2	02/18/66	5	1.8
204X	GENL MILLS INC	315.8	65	1	207X	HUSTON TOM PEANUT	24.3	65			08/27/66	3	3.8
291X	HUSKY OIL	112.2	65	1	131X	INTL OIL & GAS	11.8	64	S	30.8	05/27/66	2	.6-
509X	OGDEN CORP	166.3	65	1	201X	INTL PRODUCTS	12.7	65		9.2	07/25/66	3	1.3
231X	PHILLIPS VAN HEUS	57.2	65	1	231X	JOSEPH & FEISS CO	23.0	65	S	15.0	11/28/66	1	1.1
262X	BROWN CO	61.9	65	1	262X	K V P SUTHERLAND	110.2	65		36.6	01/10/66	1	3.2
281X	WITCO CHEMICAL	93.1	65	1	291X	KENDALL REFINING	21.9	65			03/21/66	1	1.3
671X	NATL INDUSTRIES	19.0	64	1	131X	KINGWOOD OIL	11.0	64			01/01/66	5	.1-
2231	RIEGEL TEXTILE CO	67.2	65	1	2221	LA FRANCE INDS INC	10.0	65			06/22/66	3	.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
355X	HARRIS INTERTYPE	132.9	65	1	3554	LANGSTON SAMUEL M	12.4	65	S	7.6	06/30/66	3	.8
287X	INTL MINRLS & CHM	324.3	65	2	3297	LAVINO E J & CO	41.0	65			12/30/66	5	2.5
283X	STERLING DRUG	221.2	65	1	284X	LEHN & FINK	28.3	65			06/28/66	3	2.6
509X	OGDEN CORP	166.3	65	1	203X	LEWIS TILLIE FOODS	31.3	65			02/01/66	5	2.1
231X	SPARTANS INDUSTRS	121.6	65	1	2251	MARO INDUSTRIES	13.1	65		8.3	04/13/66	2	.7
45XX	WEAN ENGR	32.6	64	1	354X	MCKAY MACHINE	22.5	65			04/00/66	5	1.1
281X	GRACE W R & CO	1170.6	65	1	208X	MILLER BREWING	61.2	65	S	55.0	09/26/66	3	7.2
281X	GRACE W R & CO	1170.6	65	1	203X	NALLEYS INC	15.7	65	S	23.3	06/28/66	3	.9
291X	TENNECO CORP	1102.0	65	1	3079	NIXON BALDWIN CHEM	13.3	64		13.3	01/03/66	2	.3
361X	ELTRA CORP	206.5	65	1	325X	NO AMER REFRACTRS	17.0	65			01/00/66	5	1.0
481X	UNITED UTILITIES	210.0	64	1	366X	NORTH ELECTRIC	28.0	65		10.8	08/31/66	2	.7
283X	SEARLE G D & CO	79.7	65	1	3821	NUCLEAR-CHICAGO	15.4	65			07/29/66	5	.9
357X	S C M CORP	96.9	65	1	363X	PROCTOR SILEX CORP	27.4	65	S	45.0	06/30/66	3	2.8
365X	R C A	1269.4	65	1	271X	RANDOM HOUSE	20.3	64			05/19/66	3	1.0
291X	ATLANTIC REFINING	960.4	64	1	291X	RICHFIELD OIL	499.6	65		535.0	01/03/66	4	21.5
361X	EMERSON ELEC MFG	158.1	65	1	3423	RIDGE TOOL	28.0	65		67.5	06/21/66	3	4.7
366X	I T & T	2021.8	65	1	271X	SAMS HOWARD W	19.5	65		33.8	10/31/66	3	1.0
383X	GENL ANILINE&FILM	228.4	65	1	383X	SAWYERS	24.7	65			10/31/66	3	1.9
508X	WHITE CONSOL IND	47.8	65	1	35XX	SCOTT & WILLIAMS	18.3	65	S	12.1	08/31/66	3	1.6-
366X	RAYTHEON	273.7	65	1	138X	SEISMOGRAPH SERVIC	19.8	65		32.6	12/30/66	5	1.7
372X	TEXTRON INC	374.3	65	1	395X	SHEAFFER PEN W A	25.0	64		19.4	03/02/66	3	.3
251X	GLOBE WERNICKE	27.8	65	1	371X	SHELLER MFG CORP	40.0	65			12/30/66	3	2.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY				***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
012X	UNITED FRUIT CO	343.1	65	1	2087	SMITH J HUNGERFORD	13.5	65			04/20/66	3	1.1
333X	KAISER ALUM &CHEM	978.6	65	1	287X	SOUTHERN NITROGEN	71.7	65			11/03/66	2	1.9
2731	MCGRAW HILL	150.7	65	1	2731	STANDARD & POORS	21.7	65	S	62.0	02/15/66	3	2.7
614X	ATLAS CREDIT CORP	166.6	65	1	1311	SUNSET INTL PETROL	108.9	65			04/30/66	5	5.5
211X	AMER TOBACCO	849.9	65	1	205X	SUNSHINE BISCUIT	109.5	65	S	112.6	05/31/66	3	5.5
283X	REXALL	280.2	65	1	321X	THATCHER GLASS	80.5	65		126.0	06/30/66	3	6.6
358X	STEWART WARNER	100.9	65	1	354X	THOR POWER TOOL	20.5	65			02/04/66	3	.3
231X	B V D CO INC	54.8	65	1	231X	TIMELY CLOTHES INC	11.6	65			04/00/66	3	.1
331X	STAND FORGINGS	21.6	65	1	331X	TRANSUE & WILLIAMS	11.3	65			05/15/66	1	.4
284X	REVLON	165.6	65	1	283X	U S VITAMIN	17.2	64			01/04/66	3	2.5
283X	MILES LABORATORIS	87.3	65	1	2046	UNION STARCH & RFG	20.6	66	CS	11.3	10/18/66	3	.2-
381X	AMER METER	34.7	64	1	343X	VAPOR CORP	24.1	64		44.6	03/17/66	3	2.3
366X	TELEDYNE INC	66.5	65	1	331X	VASCO METALS	37.3	65		52.0	06/30/66	2	3.4
366X	TUNG SOL/ ELECTRIC	34.8	65	1	361X	WAGNER ELECTRIC	85.2	65			10/00/66	3	4.5
363X	WHIRLPOOL CORP	282.7	65	2	365X	WARWICK ELEC/SEARS	58.9	65		31.1	09/01/66	3	3.5
262X	MEAD CORP	383.9	65	1	264X	WESTAB	30.8	65		36.0	06/01/66	2	2.7
281X	PENNSALT CHEM	147.3	65	1	384X	WHITE S S CO	33.5	65			07/01/66	5	1.8
231X	WARNER BROS	86.7	65	1	231X	WHITE STAG MFG	18.7	64			01/28/66	3	.6
508X	WHITE CONSOL IND	47.8	65	1	35XX	WHITIN MACHINE WRK	63.8	65			01/14/66	3	1.0

TOTALS FOR 1966 76 MERGERS ASSETS ACQUIRED= $3329.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
306X	DUNHILL INTL	52.7	66	1	356X	A P PARTS CORP	63.9	66	S		10/31/67	5	5.3
371X	HAYES INDUSTRIES	21.7	66	1	331X	ALBION MALLEABLE	14.8	66	S	25.0	08/22/67	3	2.6
357X	S C M CORP	146.3	66	1	262X	ALLIED PAPER CORP	40.5	66	S	35.0	12/31/67	3	2.3
366X	GENL PRECISION EQ	291.1	66	1	381X	AMERCON CORP	63.7	65	S	134.6	04/01/67	3	8.5
366X	LITTON INDUSTRIES	742.5	66	1	271X	AMERICAN BOOK CO	24.4	66		70.0	03/31/67	3	1.9
283X	WARNER LAMBERT PH	320.9	66	1	383X	AMERICAN OPTICAL	111.2	66	S	201.0	04/21/67	5	10.1
291X	KERR MCGEE OIL	383.3	66	1	281X	AMERICAN POTASH	117.7	66	S	130.0	12/30/67	2	6.6
285X	NATL LEAD CO	517.7	66	1	2432	AMOS-THOMPSON CORP	12.8	66	S		08/00/67	3	1.6
357X	MOHAWK DATA SCIEN	3.8	66	1	357X	ANELEX CORP	14.2	66	S		11/ /67	3	3.9-
383X	ITEK CORP	38.5	66	1	366X	APPLIED TECHNOLOGY	16.5	66	S		09/20/67	3	.8
291X	ASHLAND OIL	356.0	65	2	281X	ARCHER DAN CHEM DV	50.0	66	C		05/16/67	3	
326X	SUSQUEHANNA CORP	40.5	66	1	289X	ATLANTIC RESEARCH	37.4	66	C		12/04/67	5	2.1
111X	GLEN ALDEN CORP	92.5	66	1	231X	B V D CO	113.2	66	S		05/25/67	3	6.7
356X	AUTOMATIC SPRINKL	59.7	66	1	372X	BAIFIELD IND	10.6	66	S		08/ /67	3	1.8
266X	JIM WALTER CORP	280.3	66	2	295X	BARRETT/ALLIED CHM	49.2	67			08/01/67	2	
492X	EL PASO NAT GAS	1561.5	66	1	221X	BEAUNIT CORP	175.9	67			10/11/67	5	.2
739X	SPERRY & HUTCHIN	328.4	66	1	227X	BIGELOW-SANFORD	74.5	66	S	38.9	02/27/67	5	5.1
366X	TELEDYNE INC	170.4	66	1	36XX	BROWN ENGINEERING	17.1	66	S	9.9	04/17/67	3	1.2
262X	PAPERCRAFT CORP	30.4	66	1	22XX	C P S INDUSTRIES	12.0	66	S	7.0	12/06/67	3	.2
366X	RAYTHEON	382.0	66	1	3461	CALORIC CORP	17.0	66	S	12.7	02/00/67	3	.7
241X	U S PLYWOOD CORP	407.7	66	1	262X	CHAMPION PAPERS	359.0	66	S	210.0	03/01/67	3	18.3
326X	CARBORUNDUM CO	200.3	66	1	356X	COMMERCIAL FILTERS	10.5	66	C	8.8	02/ /67	3	.5

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
504X	CONSOL FOODS CORP	297.4	66	1	2211	CONSO PRODUCTS INC	14.4	66	S	32.0	02/00/67	3	2.4
366X	TELEDYNE INC	170.4	66	1	366X	CONTINENTAL DEVICE	11.2	66			09/15/67	3	.5
207	HERSHEY CHOCOLATE	170.5	66	1	363	CORY CORP	16.4	67	C	23.0	12/ /67	5	1.5
671X	NATL INDUSTRIES	30.1	65	1	208X	COTT CORP	19.3	65	C	8.1	11/05/67	5	1.1
281X	STAUFFER CHEMICAL	366.8	66	1	284X	COWLES CHEMICAL	16.8	66	S		12/31/67	3	1.3
381X	WHITTAKER CORP	42.7	66	1	349X	CROWN ALUMINUM	10.7	66	S		12/15/67	3	.2
357X	VICTOR COMPTOMETE	83.6	66	1	3941	DAISY MFG	16.4	66	S		05/18/67	3	1.2
361X	CHAMPION SPARK PL	124.3	66	1	356X	DE VILBISS CO	34.3	66	S	25.0	06/19/67	5	4.5
352X	JOY MFG CO	139.3	66	1	353X	DENVER EQUIPMENT	10.0	66	S		11/09/67	3	1.1
104X	N Y&HONDURAS ROSA	11.3	66	1	1421	DIXIE LIME & STONE	12.1	66			05/01/67	3	.5
361X	RELIANCE ELECTRIC	67.5	66	1	356X	DODGE MFG	27.0	66	S	76.0	09/30/67	3	4.0
372X	MCDONNELL CO	425.0	66	1	372X	DOUGLAS AIRCRAFT	850.2	66	S	68.7	04/28/67	1	14.6
371X	ROCKWELL STANDARD	391.2	66	1	355X	DRAPER	76.0	66	S		06/30/67	5	5.2
366X	GENL TEL & ELECTS	4511.1	66	1	33XX	DRIVER WILBER B CO	30.4	66	S	45.6	09/11/67	2	4.4
291X	SIGNAL OIL & GAS	678.1	66	1	358X	DUNHAM-BUSH INC	38.0	66	S	18.5	12/29/67	5	.9
398X	ARMSTRONG CORK	303.9	66	1	227X	E & B CARPET MILLS	11.7	66	S		11/30/67	3	.9
366X	GULTON INDUSTRIES	27.6	66	1	365X	ELECTRO VOICE	11.8	66	S	11.5	09/11/67	3	.5
366X	TELEDYNE INC	170.4	66	1	331X	FIRTH STERLING	22.1	66	S	23.7	12/31/67	3	.9
361X	BENDIX CORP	662.0	66	1	371X	FRAM CORP	39.1	66	S	56.0	06/30/67	1	4.4
355X	WHITE CONSOL IND	128.8	67	2	363X	FRANKLN/STUDEBAKER	45.9	66			12/29/67	3	.7-
291X	HUSKY OIL CANADA	141.5	66	1	291X	FRONTIER REFINING	41.2	66		10.4	12/22/67	1	.5
291X	TENNECO CORP	1252.3	66	1	306X	GENL FOAM CORP	13.6	66	S	12.9	04/06/67	2	1.0

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
357X	S C M CORP	146.3	66	1	285X	GLIDDEN CO	198.7	66	S		09/22/67	3	12.4
355X	FOSTER WHEELER	127.2	66	1	355X	GLITSCH E W & SONS	14.9	66	S	12.0	11/01/67	3	1.5
372	T R W INC	523.7	66	1	361	GLOBE INDUSTRIES	10.7	66	S		01/00/67	3	.6
372X	TEXTRON INC	500.6	66	1	391X	GORHAM CORP	31.1	66	S		11/07/67	3	2.3
225X	WAYNE KNITTING M	15.0	65	1	231X	GOSSARD H W CO	14.6	65			01/31/67	3	1.1
326X	U S GYPSUM	418.3	66	1	325X	GREEN A P REFRACT	68.6	66	S	45.0	12/29/67	3	4.8
358X	KIDDE WALTER & CO	147.6	66	1	353X	GROVE MFG CO	12.5	66	S		12/ /67	3	1.5
301X	FIRESTONE TIRE	1416.7	66	1	3461	HAMILL MFG & AFILS	12.9	67			11/01/67	3	3.1
422X	BUSH TERMINAL CO	58.4	65	1	387X	HAMILTON WATCH CO	44.7	66	S	5.0	12/08/67	5	2.6
352X	DRESSER IND INC	276.2	66	1	325X	HARBISON WALKER	151.0	66	S		10/29/67	3	11.8
324X	PENN-DIXIE CEMENT	74.2	66	1	349X	HAUSMAN CORP	10.1	67	S	4.5	08/10/67	5	.6
651X	CITY INVESTING CO	64.3	66	1	372X	HAYES INTL	17.2	66			03/15/67	5	1.0
281X	WALLACE TIERNAN	62.8	65	1	35XX	HILLS MCCANNA	10.4	66	S	17.0	12/31/67	3	1.5
483X	C B S	598.1	66	1	271X	HOLT RINEHART & WI	58.6	66			08/01/67	3	6.6
349X	MID CONTINENT MFG	12.7	66	1	355X	HUBER CORP	10.4	66	S		09/28/67	2	.5
355X	WHITE CONSOL IND	127.1	66	1	358X	HUPP CORP	87.0	67	S	58.0	12/19/67	3	1.6
3634	MCGRAW-EDISON CO	289.2	66	1	3871	INGRAHAM CO	18.3	66			11/30/67	3	1.0
356X	AUTOMATIC SPRINKR	59.7	66	1	366X	INTERSTATE ENGINEE	22.4	66			12/01/67	3	3.7
231X	HART SCHAFF MARX	110.7	66	1	2327	JAYMAR-RUBY&HARBOR	10.9	66			03/00/67	3	1.6
366X	LITTON INDUSTRIES	742.5	66	1	361X	JEFFERSON ELECTRIC	12.7	65		6.0	02/23/67	3	.5
366X	GENL INSTRUMENT	111.4	67	1	366X	JERROLD CORP	38.0	66	S	129.2	12/21/67	3	4.3
241X	GEORGIA PACIFIC	953.5	66	1	261X	KALAMAZOO PAPER	23.4	66	S		10/20/67	3	1.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
492X	TENNECO INC	3756.8	66	1	371X	KERN COUNTY LAND	435.3	66			08/ /67	4	36.5
301X	GATES RUBBER	158.2	66	1	372X	LEAR JET	30.8	66	C		07/07/67	5	4.2
533X	RAPID AMERICAN	324.1	66	1	315X	LEEDS TRAVELWEAR	10.4	66	S		11/10/67	2	.8
358X	KIDDE WALTER & CO	147.6	66	1	361X	LIGHTING CORP OF A	30.3	66	S	65.0	06/23/67	3	3.4
281X	F M C CORP	694.3	66	1	352X	LINK BELT	144.0	66	S		06/30/67	3	12.1
366X	LITTON INDUSTRIES	742.5	66	1	361X	LOUIS ALLIS	34.1	65	S	23.6	02/08/67	1	1.5
351X	COOPER INDUSTRIES	90.3	66	1	3545	LUFKIN RULE CO	18.3	67			10/31/67	3	2.3
361X	CONDEC CORP	31.8	66	1	349X	LUKENHEIMER CO	14.7	66			11/15/67	3	1.9
291X	SIGNAL OIL & GAS	678.1	66	1	371X	MACK TRUCKS	303.0	66	S		09/01/67	5	13.7
331X	AMSTED INDUSTRIES	137.7	66	1	349X	MACWHYTE CO	11.5	66	C	13.5	08/01/67	3	1.0
352X	KOEHRING CO	130.4	66	1	343X	MASTER CONSOLIDATE	15.8	66	S		07/03/67	3	1.0
3842	WILL ROSS INC	18.4	66	1	2813	MATHESON CO	19.0	66	S	28.5	07/13/67	3	1.5
283X	PLOUGH INC	53.1	66	1	28XX	MAYBELLINE CO	11.0	66	S	102.0	12/29/67	3	3.3
203X	HUNT FOODS & IND	460.8	66	1	271X	MCCALL CORP	149.2	66	C		07/14/67	5	6.6
283X	BRISTOL MYERS CO	238.2	66	1	283X	MEAD JOHNSON & CO	93.3	66	S	240.0	12/22/67	3	7.3
372X	LING-TEMCO-VOUGHT	298.4	66	1	366X	MEMCOR INC	12.9	66	S		03/23/67	3	
331X	EASTERN STAINLESS	52.1	66	1	331X	MOORE DROP FORGING	21.1	67	S		11/15/67	2	1.3
355X	A M K CORP	41.3	66	1	201X	MORRELL JOHN	109.2	67		41.6	12/31/67	5	.7
343X	AMER RADIATOR	405.5	66	1	349X	MOSLER SAFE	47.8	66	CS	86.0	05/12/67	5	4.4
366X	GENL SIGNAL	55.2	66	1	374X	N Y AIR BRAKE	48.9	66	S	66.0	09/20/67	3	4.7
492X	EL PASO NAT GAS	1577.7	67	1	3357	NARRAGANSETT WIRE	10.0	66			10/26/67	5	3.4
262X	DENNISON MFG	71.6	66	1	275X	NATL BLANK BOOK	14.1	66			05/26/67	3	1.0

AR_001556

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
331X	BUNDY TUBING	26.0	65	1	331X	NATL ROLLING MILLS	14.0	66			03/20/67	2	.9
343X	MONOGRAM INDUSTRI	6.9	66	1	345X	NATL SCREW & MFG	28.7	66	C		10/20/67	3	1.5
281X	DIAMOND ALKALI CO	275.6	66	1	281X	NOPCO CHEMICAL	36.3	66	S	33.1	04/21/67	3	3.8
501X	GULF & WESTERN	294.2	66	1	342X	NORTH & JUDD MFG	11.7	66	S	10.0	08/08/67	5	1.0
291X	ATLANTIC RICHFIEL	1659.5	66	1	2899	NUCLEAR MATERIALS	12.3	66			04/18/67	3	2.7
314X	WEYENBERG SHOE	14.6	66	1	314X	NUNN-BUSH SHOE CO	10.4	66	S		08/31/67	1	.5
333X	SCOVILL MFG	194.7	66	1	356X	NUTONE INC	30.8	66	S		09/13/67	1	1.5
221X	INDIAN HEAD MILLS	141.3	66	1	321X	OBEAR-NESTER GLASS	19.5	66	S	35.0	07/20/67	5	2.5
281X	ETHYL CORP	382.2	66	1	262X	OXFORD PAPER	119.2	66	S		08/01/67	3	8.1
284X	PUREX CORP LTD	94.5	66	1	372X	PACIFIC AIRMOTIVE	36.3	66	S	16.0	09/12/67	5	1.3
361X	AMERICAN BOSCH	66.3	66	1	381X	PACKARD INSTRUMENT	10.0	66	S		06/30/67	3	.3-
262X	DIAMOND INTL CORP	258.0	66	1	262X	PENOBSCOT CO	41.4	66	S	22.0	08/01/67	2	.3
111X	GLEN ALDEN CORP	92.5	66	1	326X	PHILIP CAREY MFG	64.8	66	S		06/15/67	5	2.6
351X	MURPHY G W IND	50.3	66	1	354X	PORTABLE ELECT TOO	13.6	66	S	10.0	09/01/67	3	.8
324X	IDEAL CEMENT CO	215.2	66	1	281X	POTASH CO OF AMERI	51.2	67	S		12/31/67	5	5.3
509X	BANGOR PUNTA ALE	101.6	66	1	203X	PROD COTTON OIL	68.0	67	S	27.7	12/ /67	5	1.0
262X	BOISE CASCADE	524.5	66	1	2655	R C CAN CO	27.3	66			07/31/67	3	2.7
355X	HARRIS INTERTYPE	167.4	66	1	366X	RADIATION INC	29.4	66	S	39.0	07/14/67	3	1.1
356X	AUTOMATIC SPRINKL	59.7	66	1	3949	RAWLINGS CORP	12.7	66			11/13/67	3	.4
331X	VALLEY MOULD	27.0	66	1	331X	REPUBLIC INDUSTRIA	26.9	66	S	39.7	12/19/67	5	2.6
651X	CITY INVESTING CO	64.3	66	1	349X	RHEEM MFG CO	108.8	66	C		12/11/67	5	7.2
372X	NORTH AMER AVIATI	573.5	66	1	371X	ROCKWELL STANDARD	454.2	66	S		09/22/67	3	41.5

AR_001557

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
281X	GENL ANILINE&FILM	314.4	66	1	295X	RUBEROID CO	127.2	66			05/26/67	5	8.5
358X	KIDDE WALTER & CO	147.6	66	1	3429	SARGENT & CO	17.1	66	S	12.8	05/ /67	3	.7
371X	CLEVITE	91.9	66	1	361X	SERVEL INC	26.4	66			07/18/67	3	1.3
281X	DIAMOND ALKALI CO	275.6	66	1	291X	SHAMROCK OIL & GAS	173.7	66	S	285.8	12/18/67	3	13.3
281X	GENL ANILINE&FILM	314.4	66	1	275	SHELBY BUS FORMS	10.5	66			07/11/67	3	.6
356X	AUTOMATIC SPRINKL	59.7	66	1	3585	SMITH-ESSICK INC	15.0	65	C	10.0	05/02/67	3	
271X	SCOTT FORESMAN	49.1	66	1	273X	SO WESTERN PUBLISH	15.2	67			11/10/67	1	2.8
501X	GULF & WESTERN	294.2	66	1	206X	SOUTH PUERTO RICO	122.1	66	S	61.0	07/12/67	5	5.0
343X	MONOGRAM INDUSTRI	6.9	66	1	2823	SPAULDING FIBRE CO	25.3	65	C	15.4	04/18/67	5	1.0
221X	GLEN ALDEN CORP	92.5	66	1	231X	STANLEY WARNER	157.3	66	S	200.0	12/29/67	3	8.9
509X	BANGOR PUNTA ALEG	101.6	66	1	373X	STARCRAFT CORP	10.2	66	C	17.7	06/00/67	3	1.8
481X	CONTINENTAL TELE	436.6	66	1	333X	SUPERIOR CABLE	13.2	66			02/ /67	2	2.2
391X	INTL SILVER	100.4	66	1	275X	TAYLOR PUBLISHING	12.8	66	S		09/18/67	5	1.8
283X	NORWICH PHARMACAL	54.2	66	1	284X	TEXIZE CHEMICALS	10.3	66	S		11/30/67	3	.6
361X	RELIANCE ELECTRIC	67.5	66	1	357X	TOLEDO SCALE CORP	58.4	66	S	84.0	12/29/67	3	4.3
331X	ALLEG LUD STEEL	266.3	66	1	342X	TRUE TEMPER CORP	51.2	66	C		08/17/67	2	5.2
366X	GENL TEL & ELECTS	5384.5	66	1	3571	ULTRONIC SYSTEMS	23.5	66			06/15/67	3	.6
354X	SUNSTRAND CORP	123.1	66	1	366X	UNITED CONTROL	13.7	66	S		06/ /67	2	.9
366X	GENL INSTRUMENT	111.4	67	1	357X	UNIVERSAL CONTROLS	49.2	66	C		09/08/67	3	5.6
333X	FOOTE MINERAL CO	27.3	66	1	331X	VANADIUM CORP OF A	70.9	66	S		11/17/67	3	5.7
371X	STUDEBAKER CORP	120.9	66	1	361X	WAGNER ELECTRIC	126.7	65	S	52.0	05/19/67	3	4.5
262X	SCOTT PAPER CO	548.4	66	1	262X	WARREN S D	102.8	66			05/17/67	3	9.8

AR_001558

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	MH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
363X	NORRIS INDUSTRIES	93.8	67	1	363X	WASTE KING	14.1	66	S		12/05/67	3	.9-
241X	GEORGIA PACIFIC	953.5	66	1	2511	WILLIAMS FURNITURE	23.6	67			10/20/67	2	.7
372X	LING TEMCO VOUGHT	298.4	66	1	201X	WILSON & CO	196.2	66	S	80.0	01/05/67	5	12.9
371X	STUDEBAKER CORP	120.9	66	1	356X	WORTHINGTON CORP	296.6	66	S		12/06/67	3	14.5
354X	WEAN INDUSTRIES	71.2	66	1	354X	YOUNGSTOWN FOUNDRY	10.1	66	S		05/01/67	3	.8
	STAND PRUDNTL	155.3	66	1	35XX	YUBA INDUST	19.2	66	C		10/ /67	5	2.3
	TOTALS FOR 1967			138	MERGERS	ASSETS ACQUIRED=	$8258.5						
401X	ILLINOIS CENTRAL	872.2	68	1	331X	ABEX CORP	187.4	67	S	186.5	12/27/68	2	11.3
321X	LIBBEY-OWENS-FORD	291.7	67	1	356X	AEROQUIP CORP	74.8	67	S	135.0	10/01/68	5	7.2
209X	ALLEGHENY BEVERGE	6.2	67	1	209X	ALLEG PEPSI COLA	16.3	67	C		03/11/68	1	1.1
306X	DAYCO CORP	86.7	67	1	221X	ALLEN INDUSTRIES	41.0	67	S	47.3	12/00/68	3	2.8
201X	CUDAHY CO	42.9	67	1	311X	ALLIED KID CO	20.6	68	S	16.2	12/02/68	2	1.2
331X	U S STEEL	5606.3	67	1	349X	ALSIDE INC	26.9	67	C	39.0	12/05/68	3	2.5
283X	RORER WILLIAM H	36.2	68	1	28XX	AMCHEM PRODUCTS	29.4	67	S		09/30/68	3	1.2
783X	GENL CINEMA CORP	29.9	67	1	209X	AMERICAN BEVERAGE	14.8	67	C	18.1	04/02/68	5	1.2
203	EARLY CALIF FOODS	12.2	68	1	287	ARIZ AGROCHEMICAL	10.6	68	S	10.0	09/16/68	5	.2
615X	HELLER WALTER E	554.0	66	1	251X	ART METAL INC	35.7	67	S	36.0	02/12/68	5	2.4
354X	EX-CELL-O CORP	228.5	67	1	3544	ATLANTIC MACH TOOL	10.7	67	S	13.8	04/01/68	3	1.7
3079	KEENE CORP	21.4	67	1	329X	BALDWIN-EHRET-HILL	13.3	67		8.0	02/00/68	5	.4
373X	CHRIS-CRAFT IND	94.7	67	1	281X	BALDWIN-MONTROSE	35.4	67	S	35.0	06/19/68	5	1.6

AR_001559

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
162X	DILLINGHAM CORP	246.4	68	1	1429	BASALT ROCK CO	16.7	68	S		10/01/68	3	.4
283X	SQUIBB E R & SONS	253.3	67	1	207X	BEECH-NUT LIFE SAV	172.2	66			01/15/68	3	21.1
201X	SWIFT & CO	757.8	67	1	2911	BELL OIL & GAS CO	18.6	67	S	23.9	09/26/68	5	2.4
333X	KAWECKI CHEMICAL	28.5	67	1	333X	BERYLLIUM CORP	36.1	67	S	46.5	10/21/68	3	2.6
354X	U S INDUSTRIES	162.3	67	1	3522	BIG DUTCHMAN INC	28.2	67			02/29/68	3	1.7
356X	PENNSYLVANIA ENGR	14.7	68	1	354X	BIRDSBORO CORP	15.2	67	S	8.2	11/11/68	3	1.3
366X	I T & T	2961.2	67	1	36XX	BLACKBURN JASPER	11.4	67	S	18.0	01/02/68	2	
355X	WHITE CONSOL IND	277.3	67	1	354X	BLAW-KNOX CO	129.0	67	S	120.0	04/30/68	3	7.0
333X	GULF & WESTERN	749.4	67	1	354X	BLISS E W CO	119.7	67	S	100.0	01/11/68	5	6.1
205X	HELME PRODUCTS	38.1	67	1	213X	BLOCH BROS TOBACCO	11.5	67	S		08/01/68	3	.9
3079	KEENE CORP	21.4	67	1	358X	BOWSER INC	13.2	67	C	13.6	08/27/68	5	.6
333X	GULF & WESTERN	749.4	67	1	262X	BROWN CO	196.1	67	S	15.5	07/31/68	5	.8
5042	CONSOL FOODS CORP	387.8	67	1	2011	BRYAN BROS PACKING	10.5	67	S	14.3	08/05/68	3	1.4
355X	WHITE CONSOL IND	277.3	67	1	354X	BULLARD CO	28.2	66			03/27/68	3	1.9
131X	GULF RESOURCES	33.7	67	1	333X	BUNKER-HILL CO	69.8	67	S	60.0	06/10/68	3	4.2
3611	AMPHENOL CORP	117.9	67	2	3573	BUNKER-RAMO/MARTIN	68.3	67			06/03/68	5	3.0
383X	MINN MINING & MFG	1034.7	67	1	3555	BURGESS CELLULOSE	10.1	67	S	24.0	08/01/68	3	1.8
341X	AMERICAN CAN CO	1235.2	67	1	2741	BUTTERICK CO	12.5	66	S	27.6	02/02/68	3	1.1
231X	KORET OF CALIF	25.8	67	1	231X	BYER-ROLNICK CORP	11.0	67	S	6.0	01/09/68	3	.7
283X	MERCK & CO INC	400.6	67	1	2899	CALGON CORP	55.8	67			01/31/68	3	5.5
151X	UNIVSL OIL PRODTS	183.7	67	1	333X	CALUMET & HECLA	101.8	67	S	123.6	05/10/68	5	5.6
314X	INTERCO INC	287.0	67	1	2253	CAMPUS SWTR&SPTSWR	42.0	67	S	15.0	04/12/68	3	2.2

AR_001560

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
203X	HUNT FOODS & IND	463.8	67	1	209X	CANADA DRY CORP	105.5	67	S		07/17/68	3	2.9
354X	U S INDUSTRIES	162.3	67	1	333X	CAPITAL WIRE & CAB	11.0	68	S	40.0	10/03/68	3	2.1
361X	AVNET INC	99.2	67	1	333X	CAROL WIRE & CABLE	19.6	66	S	58.2	03/19/68	2	4.0
356X	COLT INDUSTRIES	224.2	68	1	361X	CENTRAL TRANSFORMR	27.7	67	S	50.0	11/04/68	3	3.3
287X	INTL MINRLS & CHM	502.3	67	1	2819	CHEMICALS INC	22.8	67			06/00/68	3	1.6
354X	NATL ACME CO	44.9	67	1	34XX	CLEVELAND TWIST	37.9	67	S	122.0	10/30/68	3	4.2
381X	WHITTAKER CORP	118.0	67	1	34XX	COLUMBUS MILPAR	10.8	67			02/09/68	5	1.3
231X	KAYSER-ROTH CORP	269.6	67	1	31XX	COMMONWEALTH SHOE	11.4	68	S	8.0	06/28/68	3	.7
671X	BATH INDUSTRIES	32.6	67	1	398X	CONGOLEUM-NAIRN	65.1	67	CS		09/30/68	5	3.9
333X	GULF & WESTERN	749.4	67	1	211X	CONSOLIDATED CIGAR	127.4	66	S	150.0	01/11/68	5	8.8
532X	MONTGOMERY WARD	1709.3	67	1	262X	CONTAINER CORP AM	397.4	67	S	300.4	11/01/68	5	34.0
366X	I T & T	2961.2	67	1	205X	CONTINENTAL BAKING	186.5	67	S	281.0	09/13/68	5	14.7
614X	COMMERCIAL CREDIT	3067.4	67	1	357X	CONTROL DATA(MINN)	465.4	68			08/17/68	5	18.5
671X	NATL INDUSTRIES	85.4	67	1	381X	CRESCENT CORP	48.5	67	CS	31.2	07/01/68	5	3.1
351X	COOPER INDUSTRIES	123.1	67	1	342X	CRESCENT NIAGRA	10.9	67	S	10.5	10/21/68	3	
356X	COLT INDUSTRIES	197.1	67	1	331X	CRUCIBLE STEEL CO	258.5	67	S	205.8	10/17/68	2	8.6
739X	WYLE LABORATORIES	22.7	67	1	3561	CURTIS MFG CO	19.0	67	C	25.1	10/ /68	3	1.1
262X	BOISE CASCADE	845.2	67	1	371X	DIVCO-WAYNE CORP	48.7	67	S	47.1	01/15/68	5	3.0
131X	PANOIL CO	21.3	67	1	131X	DORCHESTER GAS PRO	14.7	67	S	27.8	11/26/68	2	1.1
262X	SONOCO PRODUCTS	62.7	67	1	26XX	DOWNINGTON PAPER	12.6	67	CS	4.8	08/05/68	3	.3
251X	SLICK CORP	31.4	67	1	2091	DREW CHEMICAL CORP	34.2	67	CS	16.2	02/19/68	5	2.6
241X	U S PLYWOOD-CHAMP	926.3	67	1	251X	DREXEL ENTERPRISES	52.8	67	S	100.0	07/10/68	2	5.2

AR_001561

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
211X	AMER TOBACCO	1073.8	67	1	203X	DUFFY-MOTT CO INC	40.4	67	S	34.3	07/05/68	3	1.8
366X	NYTRONICS INC	12.6	67	1	361X	EASTERN AIR DEVICE	11.5	67	S	23.0	10/15/68	3	.5
306X	AMERACE CORP	76.6	67	1	345X	ELASTIC STOP NUT	41.0	67	S	58.2	08/30/68	3	4.7
504X	CONSOL FOODS CORP	402.5	67	1	363X	ELECTROLUX CORP	81.3	67	S	150.0	08/20/68	3	10.2
357X	NATL CASH REGISTR	1010.1	67	1	366X	ELECTRONIC COMMUNC	23.8	67	S	48.6	09/04/68	3	1.2
331X	INTERNATL CONTROL	3.6	67	1	366X	ELECTRONIC SPECIAL	69.0	67	C	50.7	09/00/68	3	2.6
331X	ROBLIN STEEL CORP	15.8	67	1	331X	ERIE FORGE & STEEL	18.8	67	S	9.0	02/02/68	1	.1-
372X	TEXTRON INC	669.7	67	1	356X	FAFNIR BEARING CO	94.0	66	S	150.0	01/03/68	3	11.9
483X	CAPITAL CITIES BR	66.6	67	1	27XX	FAIRCHILD PUBLICA	12.5	67	CS	52.0	05/20/68	3	1.3
356X	SUNDSTRAND CORP	213.9	67	1	356X	FALK CORP	55.2	67	S	75.0	12/30/68	3	4.4
355X	U S M CORP	282.5	67	1	355X	FARRELL CORP	54.4	67	S	36.7	12/31/68	3	4.0
371X	EATON YALE TOWNE	529.6	67	1	356X	FAWICK CORP	13.8	67	S	41.9	03/31/68	3	2.2
504X	CONSOL FOODS CORP	387.8	67	1	284X	FULLER BRUSH CO	39.4	67	S	53.0	12/27/68	3	3.3
345X	ALLIED PRODUCTS	80.1	67	1	227X	FULTON INDUSTRIES	55.9	67	CS	30.0	05/02/68	5	1.6-
345X	ALLIED PRODUCTS	80.1	67	1	349X	GENL BRONZE	23.0	66	S	25.0	01/31/68	3	2.3
363X	SINGER CO	1049.2	67	1	366X	GENL PRECISION	322.7	67	S	404.0	07/11/68	3	18.8
371X	BUDD CO	264.5	67	1	3715	GINDY MFG CORP	44.0	67			10/22/68	3	1.8
383X	XEROX CORP	793.5	67	1	271X	GINN & CO	38.7	67	S	127.0	07/02/68	3	2.7
204X	GENL MILLS INC	382.5	68	1	203X	GORTON CORP	28.8	68	CS	30.0	08/19/68	3	1.5
204X	COLO MILL & ELEVA	70.8	67	1	206X	GREAT WESTERN SUGR	125.5	67	S	25.3	01/15/68	3	9.0
354X	EX-CELL-O CORP	228.5	67	1	3541	GREENLEE BROS & CO	28.4	67			09/01/68	3	1.6
783X	NATL GENERAL CORP	124.9	67	1	271X	GROSSET & DUNLAP	40.7	67	S	49.2	03/19/68	5	2.9

AR_001562

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
262X	DIAMOND INTL CORP	304.2	67	1	2621	GROVETON PAPERS CO	17.4	67	S	18.2	07/18/68	3	.9
508X	AMER HOSPITAL SUP	148.5	67	1	251X	HAMILTON MFG CO	26.7	67	S	61.0	05/24/68	3	2.8
671X	NATL INDUSTRIES	85.4	67	1	202X	HAWTHORNE-MELODY	43.4	68	S	13.7	07/05/68	5	1.7
356X	COLT INDUSTRIES	197.1	67	1	37XX	HOLLEY CARBURETOR	22.1	67	S		03/00/68	3	1.3
509X	OCCIDENTAL PETRLM	779.1	67	1	281X	HOOKER CHEMICAL	366.5	67	S	483.0	07/24/68	3	26.2
349X	CRANE CO	246.7	67	1	241X	HUTTIG SASH & DOOR	13.3	67	CS	5.3	06/25/68	3	.9
372X	T R W INC	601.6	67	1	366X	I R C INC	29.4	67	S	80.1	02/23/68	3	5.7
361X	I-T-E CIRCUIT BRE	125.1	67	1	34XX	IMPERIAL-EASTMAN	33.0	67	S		05/07/68	3	2.9
509X	OCCIDENTAL PETRLM	779.1	67	1	121X	ISLAND CREEK COAL	115.2	67	S	80.0	01/29/68	3	5.1
372X	LING-TEMCO-VOUGHT	845.1	67	1	331X	JONES & LAUGHLIN	1092.8	67	C	425.0	06/24/68	5	35.8
358	KIDDE WALTER & CO	253.1	67	1	364	KEYSTONE LAMP MFG	11.7	68			12/13/68	3	.9
614X	HOUSEHOLD FINANCE	1572.1	67	1	342X	KING-SEELEY THERM	75.4	67	S	190.0	09/30/68	5	10.2
363X	SCOTT & FETZER CO	31.0	67	1	361X	KINGSTON PRODUCTS	11.2	67	S		04/30/68	3	.7
366X	TELEDYNE INC	337.7	67	1	354X	LANDIS MACHINE CO	16.2	66	S	23.7	05/24/68	3	2.2
357X	LITTON INDUSTRIES	1094.9	67	1	354X	LANDIS TOOL CO	48.6	66	S	130.0	01/17/68	3	7.2
221X	INDIAN HEAD INC	161.6	67	1	3221	LAURENS GLASS INC	25.8	68			12/20/68	1	3.3
321X	OWENS-ILLINOIS	1007.7	67	1	262X	LILLY-TULIP CUP	108.3	67	S	164.0	11/04/68	3	7.5
271X	TIME INC	474.9	67	1	27XX	LITTLE BROWN & CO	11.0	67	S	16.5	08/08/68	3	.7
521X	LOEWS THEATRES	209.7	67	1	211X	LORILLARD P CORP	375.3	67	S	450.0	12/02/68	5	31.0
371X	C C I CORP	25.5	67	1	372X	MARQUARDT CORP	26.8	67	S	22.0	06/12/68	3	.5
371X	FRUEHAUF CORP	413.9	67	1	373X	MARYLAND SHIPBLDG	22.5	67	S	12.3	04/00/68	3	1.9
366X	TELEDYNE INC	337.7	67	1	354X	MCKAY CO	13.4	67			11/00/68	3	.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
356X	AUTOMATIC SPRINKL	158.1	67	1	355X	MEYER GEORGE J MFG	50.2	67	S	38.8	03/29/68	3	2.0
372X	T R W INC	601.6	67	1	3533	MISSION MFG CO	18.2	67	S	22.0	02/12/68	5	1.2
349X	COMBUSTION ENGR	364.2	67	1	321X	MISSISSIPPI GLASS	17.7	67	S	13.0	02/29/68	3	.7
357X	PITNEY-BOWES INC	145.8	67	1	262X	MONARCH MARKING	26.9	67	S	93.4	06/03/68	3	3.2
7349	KINNEY NATL SERV	63.2	67	1	2721	NATL PERIODCAL PUB	21.6	67			03/26/68	5	3.3
366X	LEAR SIEGLER	265.1	68	1	3544	NATL TWIST DR&TOOL	23.0	67	S	30.0	10/23/68	3	1.8
357	LITTON INDUSTRIES	1207.9	68	1	354	NEW BRITAIN MACHIN	52.1	68	S	65.0	12/ /68	3	1.8
291X	ASHLAND OIL	580.4	67	1	1429	NEW HAVEN TRAPROCK	10.6	67			08/02/68	3	.9
28XX	TENNECO CORP	1911.4	67	1	373X	NEWPORT NEWS SHIP	139.3	67	S	123.0	09/05/68	5	6.6
358X	FEDDERS CORP	61.5	67	2	363X	NORGE/BORG WARNER	58.3	67	CS	45.5	07/01/68	3	1.4
291X	STANDARD OIL OHIO	682.3	67	1	121X	OLD BEN COAL CO	53.7	67	S	65.0	08/30/68	3	3.3
285X	SHERWIN-WILLIAMS	293.8	67	1	398X	OSBORN MFG CO	14.8	67	S	16.0	09/04/68	5	1.3
352X	FUQUA INDUSTRIES	49.7	67	1	3732	PACEMAKER CORP	11.5	68			11/08/68	5	.1
361	PORTER H K	151.1	67	1	147	PACIFIC ASBESTOS	10.6	67	S		12/ /68	3	1.4-
366X	TELEDYNE INC	337.7	67	1	365X	PACKARD-BELL ELECT	34.2	67	S	25.0	05/28/68	3	1.3
324X	AMER CEMENT CORP	131.5	67	1	3449	PASCOE STEEL CORP	11.2	66	S	17.0	03/05/68	3	1.9
333X	KENNECOTT COPPER	1127.7	67	1	121X	PEABODY COAL CO	315.6	66	C	475.0	03/29/68	5	26.3
204X	CORN PRODUCTS CO	802.2	67	1	28XX	PENICK S B & CO	22.4	67	S	35.0	01/29/68	5	2.2
381X	JOHNSON SERVICE	55.3	67	1	381X	PENN CONTROLS INC	15.9	67	S	19.6	12/06/68	1	1.3
366X	I T & T	2961.2	67	1	144X	PENNSYL GLASS SAND	46.3	67	S	115.0	06/27/68	5	4.9
671X	NORTHWEST INDUS	1237.0	67	1	231X	PHIL & READING	318.6	67	S	300.0	05/22/68	5	23.9
331X	WHEELING STEEL	404.9	67	1	331X	PITTSBURGH STEEL	193.6	67	S	68.0	12/05/68	1	2.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
394X	MILTON BRADLEY CO	30.2	67	1	394X	PLAYSKOOL MFG CO	13.6	68	S	25.4	08/07/68	3	1.0
591X	PERFECT FILM CHEM	68.2	67	1	333X	PLUME & ATWOOD IND	11.9	67			11/ /68	5	.7
374X	A C F INDUSTRIES	361.7	67	1	306X	POLYMER CORP	15.7	67		28.0	12/00/68	5	.2
361X	VOCALINE CO AMER	2.1	67	1	393X	PRATT READ & CO	10.1	67	S	14.0	06/30/68	5	.6
341X	AMERICAN CAN CO	1235.2	67	1	275X	PRINTING CORP AMER	38.8	66	S	31.4	02/16/68	3	2.1
271X	CROWELL COL & MAC	207.4	67	1	275X	PUBLICATION CORP	31.5	67	S	56.0	06/03/68	3	2.2
283X	PFIZER CHAS & CO	657.9	67	1	3255	QUIGLEY CO INC	10.0	67			09/ /68	5	.8
356X	REX CHAINBELT INC	109.0	67	1	346X	RACINE HYDRAULICS	17.3	67	S	130.0	10/25/68	3	1.2
366X	I T & T	2961.2	67	1	261X	RAYONIER INC	296.3	67	S	290.0	04/29/68	5	13.1
331X	NATL STEEL CORP	1221.8	67	1	333X	REPUBLIC FOIL INC	15.9	67	S	15.0	12/31/68	3	.5-
366X	TELEDYNE INC	337.7	67	1	331X	RODNEY METALS INC	12.6	67	S	38.0	02/13/68	2	1.3
531X	CARSON PIRIE SCOT	95.2	67	1	227X	ROXBURY CARPET CO	12.9	67	C	3.4	04/09/68	2	.3-
366X	TELEDYNE INC	337.7	67	1	351X	RYAN AERONAUTICAL	142.8	67	C	128.5	11/18/68	3	8.4
283X	MILES LABORATORIS	135.7	67	2	3291	S O S/GENL FOODS	55.0	68	C	55.0	09/03/68	5	2.9
331X	CYCLOPS CORP	157.5	67	1	331X	SAWHILL TUBLR PROD	26.9	67	S	14.0	08/22/68	3	.9
221X	GLEN ALDEN CORP	469.7	67	1	208X	SCHENLEY IND INC	570.7	67	CS	420.9	09/09/68	5	20.5
651X	COMMONWEALTH UNIT	144.0	67	1	365X	SEEBURG CORP	82.9	67	S	130.0	11/22/68	5	1.6
281X	HOOKER CHEMICAL	366.5	67	1	349X	SEL-REX CORP	13.5	67	S	42.0	07/24/68	1	2.0
3821	ROCKWELL MFG CO	152.1	67	1	3431	STERLING FAUCET CO	17.5	67	S		12/00/68	3	1.2
291X	SUN OIL	1598.5	67	1	291X	SUNRAY D X OIL CO	749.0	67	S	840.0	10/25/68	4	54.5
314X	GENESCO INC	371.7	68	1	231X	SUSAN THOMAS INC	11.7	67	S	23.9	09/13/68	1	1.4
314X	GENESCO INC	363.6	67	1	228X	SWIFT SPINNING MIL	10.3	67			04/00/68	2	.6

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
352X	DRESSER IND INC	464.7	67	1	358X	SYMINGTON WAYNE	66.1	67	S	56.0	04/30/68	3	4.5
372X	TEXTRON INC	669.7	67	1	391X	TALON INC	74.6	67	S	203.7	07/15/68	5	9.9
355X	RITTER PFAUDLER	138.8	67	1	381X	TAYLOR INSTRUMENT	53.9	67	S		10/08/68	3	4.2
1311	INTEX OIL CO	5.8	67	1	1311	TESORO PETROL(TEX)	12.3	67			01/31/68	2	.6
372X	NORTH AMER ROCKWL	1143.8	67	1	3552	TEXTILE MACH WORKS	46.7	66	S		08/29/68	3	1.3
361X	EMERSON ELECTRIC	246.6	67	1	381X	THERM-O-DISC INC	12.1	67	S	51.6	01/00/68	1	2.2
398X	ARMSTRONG CORK	353.2	67	1	251X	THOMASVILLE FURNIT	49.6	68	S	142.0	11/01/68	3	5.2
421X	SATURN INDUSTRIES	42.7	67	1	331X	TYLER PIPE INDUS	17.8	68	C	42.8	09/24/68	3	2.6
349X	COMBUSTION ENGR	381.8	67	1	3481	TYLER W S INC	38.8	67	S	36.0	12/ /68	3	2.6
306X	HITCO INC	43.4	68	1	306X	U S POLYMERIC INC	10.6	67	S	17.0	12/27/68	3	.3
357X	LITTON INDUSTRIES	1207.9	68	1	354X	U T D CORP	39.3	68	S	68.0	10/08/68	3	2.4
281X	HOOKER CHEMICAL	366.5	67	1	355X	UDYLITE CORP	29.5	67	S	34.0	01/02/68	3	3.5
221X	STEVENS J P & CO	568.1	67	1	221X	UNITED ELASTIC	43.2	67	S	20.0	06/20/68	3	2.8
354X	WEAN INDUSTRIES	89.4	67	1	354X	UNITED ENGR FOUND	65.3	67			03/07/68	1	4.3
221X	BURLINGTON IND	1192.7	68	1	2511	UNITED FURNITURE	12.3	68			12/00/68	5	1.1
372X	T R W INC	601.6	67	1	372X	UNITED-CARR INC	78.8	67	S	125.0	02/23/68	3	6.3
372X	T R W INC	601.6	67	1	354X	UNITED-GREENFIELD	63.7	67	S	133.0	10/02/68	3	10.2
333X	GULF & WESTERN	749.4	67	1	356X	UNIVERSAL AMERICAN	101.1	66	S	125.0	01/23/68	2	2.7
231X	CLUETT PEABODY	164.4	67	1	225X	VAN RAALTE CO INC	62.6	67	S	60.0	08/12/68	3	4.2
211	BRIT AMER TOBACCO	1556.1	67	1	203	VITA FOOD PRODUCTS	16.9	68	C	14.0	12/ /68	3	.6
221X	BANGOR PUNTA CORP	144.4	67	1	351X	WAUKESHA MOTOR CO	35.7	67	S	35.0	07/30/68	5	2.4
241X	GEORGIA-PACIFIC	1107.4	67	1	3442	WEATHER-SEAL INC	11.5	67	S	9.0	06/10/68	2	.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
283X	REXALL DRUG & CHE	440.7	67	1	34XX	WEST BEND CO	42.1	67	S	81.0	10/04/68	3	3.1
343X	AMERICAN STANDARD	538.6	67	1	374X	WESTINGHOUSE AIR	302.7	67	S	207.0	06/07/68	3	12.1
361X	EMERSON ELECTRIC	246.6	67	1	356X	WIEGAND EDWIN L CO	32.8	67	S	125.0	02/29/68	3	4.7
231X	HART SCHAFF MARX	143.2	67	1	2311	WILE M & CO	13.1	68			12/ /68	3	.9
262X	MEAD CORP	500.3	67	1	331X	WOODWARD CORP	128.0	67	S	160.0	11/30/68	5	9.0
651X	CITY INVESTING CO	338.9	68	1	275X	WORLD COLOR PRESS	14.7	67	S	24.0	07/08/68	5	1.4
354X	U S INDUSTRIES	162.3	67	1	349X	WYATT INDUSTRIES	19.0	67	CS	22.9	03/00/68	3	2.0
	TOTALS FOR 1968			174	MERGERS	ASSETS ACQUIRED= $12580.0							
271X	HARCOURT BRACE WO	69.8	68	1	271X	ACADEMIC PRESS	17.5	68	S	28.3	11/14/69	1	1.2
366X	HARVARD INDUSTRIE	55.3	68	1	349X	ALSCO INC	26.7	68	S		11/21/69	3	3.0
506X	BABBITT B T INC	89.5	68	1	275X	AMER BANK NOTE CO	33.6	68	CS	24.0	02/17/69	5	1.6
381X	WHITTAKER CORP	310.2	68	1	2261	AMER FINISHING CO	10.0	68	S		03/18/69	3	.1
271X	MCGRAW HILL	306.8	68	1	271X	AMER HERITAGE PUBL	11.6	68	S	9.8	10/10/69	1	.2
104X	SUNSHINE MINING	27.2	68	1	349X	ANCHOR POST PROD	16.3	68	S	10.5	05/29/69	5	.6
205X	GENL HOST CORP	138.5	68	1	201X	ARMOUR & CO	560.5	68			02/12/69	3	12.0
325X	PACIFIC CLAY PROD	22.2	68	1	285X	ARMSTRONG PAINT &	14.0	68	S	36.0	07/27/69	3	.9
209X	COCA COLA BOT L A	26.5	67	1	209X	ARROWHEAD & PURITA	12.5	67	S		03/31/69	3	1.3
	ULTRA DYNAMICS CO	.0		1	342X	AVIS INDUSTRIAL	15.9	68	S	6.0	07/ /69	3	1.9-
671X	INTL BANK/BRADFRD	94.4	68	2	342X	AVIS/ULTRADYNAMICS	15.9	68			11/00/69	3	1.9-
333X	AMER METAL CLIMAX	782.4	68	1	121X	AYRSHIRE COLLIERIE	115.4	69		100.0	10/31/69	5	4.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
356X	PIONEER ASTRO IND	4.7	67	1	358X	BASTIAN-BLESSING	27.1	68	S		05/06/69	3	1.1
208X	NATL DISTIL &CHEM	795.0	68	1	22XX	BEACON MFG CO	38.5	68			02/ /69	2	.6
615X	TALCOTT NATIONAL	659.9	68	1	311X	BEGGS & COBB INC	19.1	68			04/ /69	5	
521X	WICKES CORP	153.7	68	1	3522	BEHLEN MFG CO	14.2	67	S	27.8	03/14/69	3	1.0
281X	BIG THREE INDUSTL	69.8	68	1	3533	BOWEN TOOLS INC	10.0	69			10/17/69	3	
492X	INTL UTILITIES	.0		1	206X	BREWER C & CO LTD	112.6	68			01/21/69	5	5.1
3622	EMERSON ELECTRIC	316.3	68	1	3566	BROWNING MFG CO	29.3	68	S	83.0	01/03/69	3	4.1
5052	COOK & CO	.0		1	241X	BRUCE E L CO	33.4	68			03/17/69	.5	.5
361X	BENDIX CORP	905.2	68	1	3541	BUHR MACHINE TOOL	11.2	67	S	17.5	04/01/69	3	1.3
349X	CRANE CO	295.3	68	1	331X	C F & I STEEL CORP	235.6	68			06/30/69	3	9.9
281X	ETHYL CORP	554.6	68	1	349X	CAPITOL PRODUCTS	10.2	68	C	29.9	12/ /69	3	1.6
208X	E C L INDUSTRIES	52.8	68	1	393X	CHICAGO MUSICAL IN	53.5	69	S	70.0	12/19/69	5	2.6
8999	BLAIR JOHN & CO	23.5	68	1	275X	CITY NEWS PRINTING	14.2	68	S	8.5	10/00/69	5	.4
361X	GOULD-NATL BATTRY	71.7	68	1	371X	CLEVITE CORP	142.1	68	S	230.0	07/31/69	3	10.5
357X	NATL CASH REGISTR	1117.6	68	1	262X	COMBINED PAPER MIL	42.9	68	S	39.7	07/ /69	2	1.7
271X	CROWELL COL & MAC	308.6	68	1	393X	CONN C G LTD	24.3	67			05/ /69	5	.0
	US PHILIPS TRUST	.0		1	3611	CONSOL ELECT INDS	246.4	67			02/14/69	3	12.6
324X	PENN DIXIE CEMENT	160.4	68	1	331X	CONTINENTAL STEEL	58.5	68			07/ /69	3	1.4
204X	GENL MILLS INC	622.4	68	1	231X	CRYSTAL DAVID INC	13.9	68			09/23/69	5	1.3
361X	EL-TRONICS INC	6.0	68	1	285X	DEFIANCE INDUSTRIE	22.8	68	S	24.5	10/03/69	5	.4
331X	CHROMALLOY AMERIC	115.7	68	1	3599	DELTA IRON WORKS	10.5	68			09/08/69	3	.9
241X	WEYERHAEUSER CO	1064.7	68	1	241X	DIERKS FORESTS INC	59.9	68	CS	317.0	09/ /69	1	6.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
372X	CURTISS-WRIGHT CO	244.6	68	1	356X	DORR-OLIVER INC	60.8	68			02/27/69	3	2.7-
281X	DUPONT DE NEMOURS	3289.3	68	1	2834	ENDO LABORATORIES	21.2	69	S	72.8	12/31/69	3	2.2
391X	INSILCO CORP	159.7	68	1	2851	ENTERPRISE PAINT	13.5	68		28.2	04/16/69	5	1.6
3312	NATL FORGE CO	23.5	68	2	331X	ERIE FORGE/ROBLIN	16.8	67			08/22/69	1	2.2-
504X	DI GIORGIO CORP	124.4	68	1	3551	FILPER CORP	11.8	68	C	11.0	01/31/69	2	.5-
251X	SLICK CORP	66.4	68	1	281X	FILTROL CORP	34.3	68	S	151.5	03/20/69	5	5.8
331X	REPUBLIC STEEL	1607.8	68	1	3391	FINKL A & SONS	14.5	68	S	10.0	09/30/69	2	.8
281X	MONSANTO CO	1895.3	68	1	381X	FISHER GOVERNOR	56.9	68	S	128.5	08/12/69	5	5.7
361X	EMERSON ELECTRIC	316.3	68	1	3651	FISHER RADIO CORP	17.4	68	S	37.0	07/10/69	3	1.9
231X	VILLAGER INDUSTRI	90.0	68	1	23XX	GELMART INDUSTRIES	14.5	68			02/ /69	1	1.6
266X	JIM WALTER CORP	406.1	68	1	144X	GEORGIA MARBLE CO	26.3	67	S	23.0	02/21/69	3	1.4
533X	RAPID AMERICAN	386.0	68	1	231X	GLEN ALDEN CORP	1252.5	68	S	200.0	03/17/69	5	22.3
301X	GOODRICH B F	903.0	67	1	28XX	GOODRICH-GULF CHEM	101.5	68			02/06/69	2	.5-
372X	T R W INC	881.6	68	1	361X	GREGORY INDUSTRIES	11.7	67	S	24.0	01/00/69	3	1.3
366X	I T & T	4022.4	68	1	349X	GRINNELL CORP	184.5	68	S	250.0	10/31/69	3	14.1
651X	CITY INVESTING CO	338.9	67	1	375X	GUERDON INDUSTRIES	25.4	67			02/17/69	3	2.6
394X	AMER MACH & FOUND	437.9	67	1	375X	HARLEY-DAVIDSON MO	29.7	68	S	21.5	01/09/69	3	1.2
372X	MARTIN MARIETTA	641.9	68	1	333X	HARVEY ALUMINUM	277.7	69	S		12/16/69	3	15.4
383X	MITE CORP	12.4	68	1	345X	HELI-COIL CORP	18.1	68			12/08/69	3	1.7
131X	AMERADA PETROLEUM	471.1	68	1	291X	HESS OIL & CHEM	491.5	68			06/20/69	2	28.2
231X	BLUE BELL INC	104.5	68	1	231X	HICKS-PONDER CO	15.6	68	S	10.3	04/18/69	1	.5
331X	ARMCO STEEL CORP	1633.2	68	1	306X	HITCO	60.6	68	S	98.3	12/ /69	3	7.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
231X	CHADBOURN GOTHAM	40.0	68	1	2251	HUDSON HOSIERY CO	11.0	67			01/31/69	1	.6
131X	MESA PETROLEUM	14.5	67	1	131X	HUGOTON PRODUCTION	14.3	68			04/30/69	4	4.1
366X	ELEC MEMORIES	19.1	68	1	331X	INDIANA GENERAL CO	26.1	68	S		07/15/69	2	2.2
	CAN LIQUID AIR CO	.0		1	2813	INDUST AIR PRODS	16.3	68	C	20.0	08/08/69	4	.8
28XX	KONINKLIJKE ZOUT	.0		1	289X	INTERNATIONAL SALT	77.9	68			09/19/69	4	6.7
331X	ALLEG LUD STEEL	357.0	68	1	352X	JACOBSEN MFG CO	21.4	68	S	33.1	08/04/69	5	1.5
291X	O K C CORP	41.2	68	1	326X	JAHNCKE SERVICE	19.6	68			12/16/69	3	.2
391X	ATHLONE INDUSTRIE	61.1	68	1	331X	JESSOP STEEL CO	48.5	68	CS		05/06/69	5	1.9
363X	SINGER CO	1408.9	68	1	2512	JOHNSON-CARPER FRN	16.5	68	S	29.0	12/12/69	3	1.3
3441	KEENE CORP	65.9	68	2	3562	KAYDON ENG/CON DAT	14.0	68	C	28.5	02/00/69	5	1.5
361X	HUBBELL HARVEY	36.5	68	1	333X	KERITE CO	10.9	68	S	22.5	05/06/69	2	1.3
2421	ARCATA NATIONAL	63.1	67	1	275X	KINGSPORT PRESS	38.1	68	S	25.0	07/ /69	5	1.2
2432	GEORGIA-PACIFIC	1268.9	68	1	2611	LA FOREST PRODUCTS	59.0	69	S	60.0	10/01/69	4	
326X	INTERPACE CORP	123.6	68	1	3264	LAPP INSULATOR CO	21.2	68	S	33.2	06/27/69	3	1.4
375X	PHILIPS INDUSTRIE	39.5	68	1	356X	LAU BLOWER CO	15.4	68	S		09/30/69	3	1.3
483X	SUBSCRIPTION TELE	21.6	67	1	3622	LEACH CORP	13.1	67	S	40.0	02/ /69	5	1.0
225X	V F CORP	42.3	68	1	231X	LEE H D CO	54.4	68	S	52.0	08/12/69	3	2.9
381X	VICTOREEN INC	37.7	67	1	361X	LEECE-NEVILLE CO	27.3	68	S	36.0	02/01/69	5	1.5
721X	NATL SERVICE IND	98.9	68	1	361X	LITHONIA LIGHTING	17.6	68	CS	29.0	07/15/69	5	1.8
532X	SEARS ROEB/DESOTO	6507.6	68	1	251X	M P I INDUSTRIES	20.7	68	S	55.0	11/03/69	2	2.5
372X	AERO-CHATILLON CO	18.3	67	1	3729	MACRODYNE INC	12.6	67			03/31/69	1	2.3
291X	OCCIDENTAL PETRLM	1788.2	68	1	121X	MAUST COAL & COKE	45.1	67	C	31.0	08/15/69	1	6.9-

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
366X	RIKER CORP	12.7	67	1	366X	MAXSON ELECTRONICS	45.2	68	S		04/01/69	1	1.7
371X	EATON YALE TOWNE	622.7	68	1	356X	MCQUAY-NORRIS MFG	22.1	68	S	21.0	10/31/69	3	1.1
352X	CLARK EQUIPMENT	357.2	68	1	3522	MELROE CO	11.7	68	S		06/30/69	3	.9
394X	MATTEL INC	97.2	68	1	394X	METAFRAME CORP	11.1	68			12/15/69	3	.7
356X	AUTOMATIC SPRINKL	211.0	68	1	3821	MID-CON INC	31.1	68	S		10/30/69	3	2.5
291X	ASHLAND OIL	846.4	69	1	1311	MIDHURST OIL CORP	14.7	68			11/12/69	2	1.1
372X	NORTH AMER ROCKWE	1361.6	68	1	355X	MIEHLE-GOSS-DEXTER	169.0	68	S	212.0	09/12/69	3	9.1
211X	PHILIP MORRIS	786.6	68	2	2082	MILLER BREW/GRACE	99.5	69	C	130.0	07/00/69	5	8.2
204X	NEBR CONSOL MILLS	59.3	67	1	204X	MONTANA FLOUR MILL	13.3	67			01/13/69	1	.1
202X	BEATRICE FOODS CO	439.0	68	1	231X	MOORE E R CO	11.8	68			06/30/69	5	.8
283X	NORWICH PHARMACAL	106.5	68	1	289X	MORTON INTL INC	163.0	67	S		04/25/69	5	7.9
208X	GLENMORE DISTILLR	56.9	69	1	2085	MR BOSTON DISTILLR	29.5	68	CS	15.5	10/31/69	3	.7
349X	CONDEC CORP	85.5	69	2	3559	N R M CORP/A M K	22.1	66			12/30/69	3	1.5
373X	AMER SHIPBUILDING	29.3	68	2	3731	NASHV BRIDGE/WHALE	18.8	68			11/10/69	4	.8
671X	HAVEN INDUSTRIES	11.8	68	1	206X	NAIL SUGAR REFIN	39.0	68	S		02/20/69	5	.6
343X	AMERICAN STANDARD	948.6	68	1	3079	NEW CASTLE PRODS	14.7	68			07/16/69	3	.9
138X	ZAPATA NORNESS	361.3	69	1	208X	PEARL BREWING CO	36.7	69	S	54.6	12/30/69	5	
281X	DIAMOND SHAMROCK	512.3	67	1	121X	PICKANDS MATHER CO	113.9	68	S	75.0	01/03/69	3	6.9
262X	FIBREBOARD CORP	145.9	67	1	2421	PICKERING LUMBER	17.2	67	S	11.0	01/31/69	2	.6
221X	BANGOR PUNTA CORP	302.0	68	1	372X	PIPER AIRCRAFT CO	54.2	68			09/ /69	5	3.9
506X	BABBITT B I INC	89.5	68	1	333X	PLASTOID CABLE COR	10.3	67	S	27.0	02/14/69	3	1.9
363X	NORRIS INDUSTRIES	116.0	69	1	3432	PRICE PFISTER BRAS	16.4	69	S		12/19/69	3	1.9

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
381X	WHITTAKER CORP	579.1	69	1	3399	PROD STEEL STRIP	25.0	68			12/00/69	3	1.4
372X	T R W INC	881.6	68	1	356X	REDA PUMP CO	33.3	67	S	103.4	01/26/69	3	5.4
533X	WOOLWORTH F W CO	1029.3	67	1	2311	RICHMAN BROS CO	47.5	67			03/ /69	5	3.9
241X	EVANS PRODUCTS	314.9	68	1	2433	RIDGE PIKE LUMBER	10.6	68	S	10.0	05/12/69	2	.4
3622	SCAM INSTRUMENT	7.3	67	1	349X	RILEY STOKER CORP	39.4	68			05/22/69	5	1.1-
381X	NORTEK INC	25.3	68	1	326X	ROCK OF AGES CORP	11.2	68	C	10.0	05/19/69	5	.8
383X	XEROX CORP	905.7	68	1	357X	SCIEN DATA SYSTEMS	113.3	68	S	910.0	05/16/69	3	10.0
365X	MAGNAVOX CO	202.9	67	1	393X	SELMER H & A INC	14.8	67	S	53.1	02/28/69	5	1.9
361X	WESTINGHOUSE ELEC	2271.4	68	1	208X	SEVEN-UP BOTTL L A	12.5	68	S	26.0	09/ /69	5	1.5
306X	N V F CO	25.2	68	1	331X	SHARON STEEL CORP	190.3	68	S	82.8	02/07/69	5	2.9
	HARBILL ASSOCIATE	.0		1	333X	SIMPLEX WIRE CABLE	39.0	68	C	12.0	03/13/69	5	4.6-
291X	ATLANTIC RICHFIEL	2450.9	68	1	291X	SINCLAIR OIL CORP	1851.3	68			03/04/69	1	76.6
366X	BENDIX CORP	905.2	68	1	3531	SKAGIT CORP	14.5	68		11.9	10/ /69	3	.4
138X	ZAPATA NORNESS	301.3	68	1	206X	SOUTHDOWN INC	17.3	67	C	35.4	03/10/69	3	2.6
366X	I T & T	4022.4	68	1	2491	SOUTHERN WOOD PRES	18.3	68			09/09/69	5	1.1
206X	SOUTHDOWN INC	26.8	68	1	3241	SOWESTRN PORTL CEM	65.9	69	C	39.2	12/31/69	5	2.6
262X	MEAD CORP	719.9	68	1	251X	STANLEY FURNITURE	24.9	68	S	41.0	09/30/69	5	2.1
357X	DATA PRODUCTS COR	19.0	67	1	366X	STELMA INC	11.7	67	S	58.0	05/08/69	3	1.8
371X	BORG WARNER CORP	781.4	68	1	3535	STEPHENS-ADAMSON	39.1	68	S	26.8	06/09/69	3	1.9
371X	SHELLER-GLOBE CO	92.4	68	1	371X	SUPERIOR COACH CO	26.0	68	S	33.0	06/02/69	5	2.4
262X	HAMMERMILL PAPER	202.7	68	1	2621	THILMANY PULP & PA	54.8	68	S	48.5	04/30/69	3	2.3
371X	EATON YALE TOWNE	529.6	67	1	345X	TINNERMAN PRODUCTS	13.1	67	S	30.5	01/31/69	3	1.4

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
356X	INGERSOLL RAND	432.9	67	1	356X	TORRINGTON CO	125.1	67	S	200.0	01/02/69	3	11.2
241X	U S PLYWOOD-CHAMP	1123.1	68	1	2271	TREND INDUSTRIES	28.3	68	S	104.0	12/18/69	3	4.3
366X	LIQUIDONICS INDUS	50.3	68	1	358X	U M C INDUSTRIES	83.5	68		74.4	02/00/69	5	6.0
	BANQUE DE PARIS	.0		2	358X	U M C/LIQUIDONIC	83.5	68		57.8	12/00/69	5	6.0
266X	JIM WALTER CORP	406.1	68	1	331X	U S PIPE & FOUNDRY	185.0	68	S	145.0	08/30/69	3	9.6
262X	DIAMOND INTL CORP	327.6	68	1	275X	U S PLAYING CARD	17.7	68	S	75.0	07/ /69	3	3.1
262X	BOISE CASCADE	894.6	67	1	241X	UNION LUMBER CO	31.7	67	S	55.3	01/16/69	3	1.2
366X	E S B INC	175.6	68	1	3621	UNIVERSAL ELECTRIC	10.2	69	S	7.5	09/30/69	3	.8
221X	BATES MFG CO	48.9	68	1	121X	VA IRON COAL COKE	21.0	68			10/31/69	5	1.5
366X	MICRODOT INC	26.3	68	1	331X	VARE CORP	60.6	68	S	93.0	01/31/69	5	3.8
281X	PENNSALT CHEM	251.8	68	1	281X	WALLACE & TIERNAN	87.5	67			03/31/69	3	10.0
2851	DESOTO INC/SEARS	59.4	68	1	2511	WARD FURNITURE MFG	10.1	68			10/06/69	5	.6
262X	BOISE CASCADE	1027.8	68	1	2621	WEST TAKOMA NEWSPR	27.0	69	S	55.0	11/05/69	3	.1
281X	OLIN MATH CHEM	991.4	68	1	241X	WOOD-MOSAIC CORP	12.1	67			07/10/69	3	.3
28XX	BADISCHE ANILIN	.0		1	281X	WYANDOTTE CHEMICAL	156.2	68	C	95.0	10/28/69	4	1.9
671X	LYKES CORP	376.9	68	1	331X	YOUNGSTOWN SHEET &	1026.7	68			05/28/69	5	45.8
	TOTALS FOR 1969			138	MERGERS	ASSETS ACQUIRED= $11043.2							
2131	AMER BRANDS INC	1507.9	69	1	2522	ACME VISIBLE RECDS	23.3	69	C	51.9	04/07/70	5	2.1
3621	EMERSON ELECTRIC	397.4	69	1	3494	ALCO CONTROLS CORP	10.3	69			02/00/70	5	.6
	ARIZONA EQUITIES	.0		2	3441	ALLISON STEEL/SIG	17.8	69			10/00/70	5	.9

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
36XX	PLESSEY CO LTD	509.1	69	1	3313	ALLOYS UNLIMITED	104.6	69	S	196.0	07/ /70	3	7.6
3721	BENDIX CORP	980.1	69	1	2441	AMER FOREST PRODS	113.2	69	CS	91.0	10/30/70	5	8.1
6711	KATY INDUSTRIES	245.1	69	1	3641	AMER GAGE & MACH	21.2	68	S	18.3	05/11/70	5	1.3
6711	LOUD & ASSOCIATES	.0		2	3211	AMER ST GOBAIN/COM	69.8	69			08/04/70	5	1.1-
3312	SCREW & BOLT CORP	36.0	69	1	3362	AMPCO METAL INC	18.0	69	S	11.6	12/31/70	3	1.6
3613	SQUARE D CO	149.4	69	1	3643	ANDERSON ELECTRIC	12.6	69	S	16.0	04/29/70	3	.8
3574	NATL CASH REGISTR	1444.5	69	1	2641	APPLETON COATED PA	22.8	69	S	22.3	09/30/70	3	2.1
2087	COCA COLA CO	870.6	69	1	3443	AQUA-CHEM INC	42.2	69	S	123.0	05/08/70	5	2.7
6711	GREYHOUND CORP	724.5	69	2	2011	ARMOUR/GENL HOST	607.2	69			05/14/70	5	18.1
10XX	GOLCONDA MINING	5.4	69	1	3621	ASTRO CONTROLS INC	37.3	69	S	14.0	09/ /70	5	1.4
2833	MERCK & CO INC	550.1	69	1	3585	BALTIMORE AIRCOIL	12.5	69	S	44.0	05/28/70	3	1.2
2818	ALCO STANDARD	146.6	69	1	1211	BARNES & TUCKER CO	30.5	69			08/ /70	5	1.2
2794	RAPID AMERICAN	1701.1	69	1	3261	BRIGGS MFG CO	27.5	69			04/10/70	5	.8
291X	STANDARD OIL OHIO	772.7	68	2	291X	BRIT PETR HOLD/B P	657.3	69			01/01/70	4	
4011	UNION PACIFIC R R	2321.0	69	2	2911	CHAMPLIN-PONT/CELA	200.0	69	C	240.0	01/05/70	2	14.2
3714	EATON YALE TOWNE	735.5	69	1	3566	CHAR-LYNN CO	14.2	69	S	26.3	12/31/70	3	1.8
3585	FEDDERS CORP	194.5	70	2	3585	CLIMATROL/STUDEBKR	41.6	69	S	27.7	12/01/70	1	1.3
5211	WICKES CORP	234.1	69	1	2511	COLONIAL PRODUCTS	15.6	68			03/ /70	2	1.0
671X	RICHTON INTL CORP	.0		1	3961	CORO INC	14.4	68			02/27/70	5	2.0-
3275	NATL GYPSUM CO	409.7	69	1	3791	D M H CORP	28.7	69	S	29.1	07/31/70	2	2.8
3519	COOPER INDUSTRIES	144.3	69	1	3722	DALLAS AIRMOTIVE	22.8	69	S	20.0	08/31/70	5	1.3
3585	CARRIER CORP	399.0	69	1	3531	DEMPSTER BROS INC	13.1	69	S	18.5	10/ /70	3	.8

AR_001574

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
1011	CLEVELAND-CLIFFS	220.1	69	1	3312	DETROIT STEEL CORP	145.9	69			06/ /70	3	.2
3613	I-T-E IMPERIAL	207.1	69	1	3699	ELECTRICAL FITTING	10.0	69			07/31/70	3	1.0
1311	HUSKY OIL (CANADA	271.3	69	1	2911	EMPIRE STATE OIL	26.5	69			04/03/70	1	.6
3423	MCDONOUGH CO	43.9	69	1	3141	ENDICOTT-JOHNSON	89.9	69			06/08/70	5	9.9-
2834	WARNER LAMBERT PH	571.5	69	2	3421	EVERSHARP WET/EVER	50.8	69	S	72.6	05/15/70	3	1.6
2043	KELLOGG CO	317.1	69	1	2099	FEARN INTERNATIONL	14.0	69			10/30/70	3	.5
3729	ROHR CORP	168.4	69	1	3711	FLXIBLE CO	11.1	69			09/14/70	3	.4
3411	NATL CAN CORP	181.6	69	1	3221	FOSTER-FORBES GLAS	19.8	69	S	43.0	05/29/70	3	2.9
3679	SARGENT IND INC	18.1	69	1	3713	GAR WOOD IND INC	35.4	69	S	9.6	04/02/70	3	4.1-
3822	HONEYWELL	1222.0	69	2	3573	GE COMPUTER/GEN EL	547.7	69	S	240.0	09/30/70	1	4.7
3312	KOPPERS CO INC	384.9	69	1	1411	GENL CRUSHED STONE	23.9	69	S	12.7	12/17/70	4	1.0
3729	TALLEY IND INC	105.9	69	1	3871	GENL TIME CORP	95.3	69	S		05/14/70	3	6.5
3629	I T & T	5192.6	69	1	2011	GWALTNEY INC	13.8	69	S	32.0	08/28/70	3	2.1
3559	A M F INC	485.9	69	1	3949	HEAD SKI CO INC	25.0	69	C	16.0	12/29/70	3	1.0-
2661	MASONITE CORP	146.8	69	1	3251	HOOD IND INC	17.1	69			06/15/70	3	1.6
28XX	PECHINEY (FRANCE)	289.5	65	1	3356	HOWMET CORP	244.3	69			05/22/70	1	11.4
3634	SUNBEAM CORP	325.1	69	1	3714	HURST PERFORMANCE	11.0	69			09/09/70	5	.6
3713	TRANSAIRCO INC	10.1	69	1	39XX	I H C INC	31.9	69			07/ /70	5	1.7
2037	UNITED FOODS INC	26.0	69	1	2037	INGLIS JOHN FROZEN	10.6	69	S	8.0	11/30/70	1	.3
7394	ITEL CORP	220.9	69	1	3573	INTERCONTL SYSTEMS	12.5	69			04/01/70	3	1.6-
2041	PILLSBURY CO	293.1	68	1	2015	J-M POULTRY PACKNG	10.8	69	S	13.0	01/07/70	1	1.2
2731	GROLIER INC	292.4	69	1	2731	JACKSON W M INC	15.3	69			07/ /70	3	.5-

AR_001575

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2131	AMER BRANDS INC	1507.9	69	1	2844	JERGENS ANDREW CO	42.0	69	C	108.0	11/30/70	5	4.5
3711	AMER MOTORS CORP	385.0	69	2	3711	KAISER JEEP/KAISER	168.9	69	CS	70.0	02/05/70	3	12.1
3312	BETHLEHEM STEEL	3224.2	69	1	3079	KUSAN INC	14.3	69			02/27/70	3	.9
3636	SINGER CO	1438.6	69	1	3561	LAYNE & BOWLER INC	16.3	69			06/ /70	5	.6
6711	MARATHON MFG CO	53.7	69	1	3531	LE TOURNEAU R G	32.5	69			10/ /70	3	.1
3537	UNARCO IND INC	24.4	69	1	3317	LEAVITT TUBE CO	11.1	69	S	11.0	05/22/70	5	.7
13XX	FRENCH PETROL CAN	.0		1	2911	LEONARD REFINERIES	56.1	69	S		10/02/70	4	2.0
20XX	NESTLE ALIMENTANA	301.9	65	1	2033	LIBBY MCNEIL LIBBY	267.0	70			11/20/70	3	7.7-
6711	ALASKA INTERSTATE	85.0	69	2	3522	LOCKWOOD CO/SEILON	13.0	69	C	12.1	02/25/70	5	.8
3612	WESTINGHOUSE ELEC	2477.6	69	1	3871	LONGINES-WITTNAUER	74.7	69	S	51.7	12/23/70	5	3.4
3569	APPLIED POWER IND	38.4	70	1	3694	MARQUETTE CORP	14.6	69			12/30/70	3	.6-
3714	NORTH AMER ROCKWE	1590.7	69	1	3079	MOLDED FIBER GLASS	17.1	69	S	9.0	04/08/70	3	.2
2621	GREAT NO PAPER CO	276.4	69	1	2621	NEKOOSA-EDWARDS PA	152.8	69			03/31/70	3	5.1
2711	TIMES MIRROR CO	324.1	69	1	2711	NEWSDAY INC	13.8	69			05/ /70	4	2.4
3569	REX CHAINBELT INC	150.1	69	1	3519	NORDBERG MFG CO	48.8	69	S	31.0	09/30/70	3	2.8
2911	ASHLAND OIL	846.4	69	1	2911	NORTHWESTERN REFNG	60.1	69	S	33.4	09/30/70	4	3.5
3241	GENL PORTLAND CEM	104.1	69	2	3241	PAC WEST IND/TEJON	21.1	69	C	8.4	01/30/70	4	2.0-
1094	SUSQUEHANNA CORP	171.3	69	1	1477	PAN AMER SULPHUR	77.7	69	C	82.4	03/06/70	5	.6
2834	WARNER LAMBERT PH	571.5	69	1	2834	PARKE DAVIS & CO	399.2	69	S	412.5	11/13/70	3	20.7
6711	ILLINOIS CENTRAL	1093.6	68	1	2086	PEPSI COLA GEN BOT	42.3	68	S	50.0	02/02/70	5	2.9
1311	WISER OIL CO	6.4	69	1	1311	PETROLEUM EXPLORAT	21.4	69			12/31/70	1	1.5
0119	AMFAC INC	290.5	69	1	2037	PROSSER PACKERS	10.6	69			12/ /70	5	.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3611	HUBBELL HARVEY	52.5	69	1	3613	PYLE-NATIONAL CO	23.4	69	S	13.0	11/10/70	3	.9
3332	ST JOE MINERALS	210.5	70	1	3356	QUEMETCO INC	10.8	70	C	7.8	12/29/70	1	.4
2641	MINN MINING & MFG	1343.6	69	2	2834	RIKER LABS/DART IN	37.1	68	S	166.5	01/06/70	5	5.0
2432	U S PLYWOOD-CHAMP	1178.8	69	1	3423	ROBERTS CONSOL IND	13.8	69	S	12.5	12/ /70	3	1.1
3312	INLAND STEEL CO	1175.1	68	1	2433	SCHOLZ HOMES INC	25.2	68	CS	85.8	02/17/70	5	2.6
4011	PENN CENTRAL CO	6850.7	69	1	3573	SCIENTIFIC CONTROL	10.5	68	C	2.0	01/ /70	5	1.6-
3399	CHROMALLOY AMERIC	214.8	69	1	3021	SERVUS RUBBER CO	12.2	69			03/06/70	5	.6
4011	PENN CENTRAL CO	6850.7	69	1	2911	SOUTHWSTRN OIL REF	42.5	68	S	21.0	02/20/70	5	3.1
3651	R C A CORP	2634.4	69	1	2015	STAMPER F M CO	44.5	69	S	115.5	03/31/70	5	7.0
2252	CHADBOURN INC	65.1	69	1	2254	STAND KNITTING MIL	20.9	69	S	9.5	04/ /70	3	.0
5096	SAXON INDUSTRIES	91.6	69	1	2611	STAND PACKAGING	74.9	69	S	25.5	10/22/70	3	4.9-
2895	CABOT CORP	251.1	69	2	3339	STELLITE/UNION CAR	55.0	69	C	55.0	01/01/70	3	
2131	AMER BRANDS INC	1507.9	69	1	3579	SWINGLINE INC	51.1	69	C	194.0	05/19/70	5	6.7
2842	C P C INTERNATION	931.1	69	1	2051	THOMAS S B INC	12.0	69	S	20.0	03/16/70	3	1.0
2711	TIMES MIRROR CO	324.1	69	1	2711	TIMES-HERALD PRINT	23.1	69	S	80.0	07/ /70	4	4.3
2011	SWIFT & CO	744.1	69	2	1311	TRANSOCEAN OIL/MCD	47.3	70	C	83.0	04/30/70	5	2.4
7399	ITEK CORP	74.5	69	1	3831	UNIVIS INC	16.3	69			05/11/70	1	.3-
2431	PACIFIC LUMBER CO	57.7	69	1	3548	VICTOR EQUIPMENT	26.7	68	S	25.0	03/16/70	5	1.6
6711	D W G CORP	73.4	68	1	23XX	WILSON BROS	14.4	69			03/ /70	5	.7
3411	AMERICAN CAN CO	1371.6	69	2	2891	WILSON PH CHEM/LTV	20.1	69	C	16.0	07/ /70	5	1.8
2087	PEPSICO INC	554.2	69	2	3949	WILSON SPORT/LTV	90.4	69	C	63.0	02/27/70	5	3.0
3229	LIBBEY-OWENS-FORD	380.2	69	1	2621	WOODALL INDUSTRIES	15.6	68	S	10.8	02/02/70	3	.9

TOTALS FOR 1970 91 MERGERS ASSETS ACQUIRED= $5904.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2087	ROYAL CROWN COLA	49.9	70	1	2033	ADAMS PACKING ASSN	17.0	71			10/28/71	3	.5
6711	MARATHON MFG CO	94.1	70	1	3441	ALLISON STEEL MFG	17.4	70		4.3	12/27/71	5	.5
2815	IMPERIAL CHEM IND	4997.3	70	1	2892	ATLAS CHEMICAL IND	139.6	70	C	163.6	07/21/71	3	6.3
2052	NABISCO INC	503.9	70	1	3941	AURORA PRODUCTS	35.3	70	C	16.8	05/28/71	5	1.7-
2252	HANES CORP	144.5	70	1	2342	BALI CO INC	19.8	70	C	12.7	12/31/71	3	.4
2011	AMER BEEF PACKERS	32.2	71	1	2011	BEEFLAND INTL	12.9	70	S	4.7	12/22/71	1	.8-
2512	SIMMONS CO	171.6	70	1	2211	BLOOM CHARLES	11.4	70			03/23/71	3	.8
4833	FUQUA NATIONAL	5.9	70	1	3321	CENTRAL FOUNDRY	23.6	70			07/01/71	5	1.4-
2834	COOPER LABS	28.1	70	1	2834	CHEMWAY CORP	32.0	69	CS	20.0	04/30/71	3	.6
6711	AMER FINANCIAL	416.8	70	1	2711	CINCINNATI ENQUIRE	16.6	70	S	20.0	04/27/71	5	2.1
499X	UTILITIES & INDUS	75.4	70	1	1442	COLONIAL SAND & ST	60.8	70	C	20.2	11/00/71	5	3.2
3297	CORNING GLASS WKS	572.8	70	1	3679	COMPONENTS INC	11.3	70	S	15.9	06/17/71	3	.8
3651	R C A CORP	2936.1	70	1	2272	CORONET INDUSTRIES	71.1	70	S	183.0	02/24/71	5	6.3
3567	COLEMAN CO INC	126.4	70	1	1951	CROSMAN ARMS CO	10.2	70	S	26.7	08/00/71	3	
5041	GENL HOST CORP	251.1	70	1	2011	CUDAHY CO	79.2	70	C	69.1	07/15/71	5	6.4
1042	U S SMELT RFG MNG	244.2	70	1	3622	FED PACIFIC ELECTR	135.0	71	C		08/20/71	5	5.3
2711	GANNETT CO	160.4	70	1	2711	FEDERATED PUBLICAT	23.2	70	S		06/30/71	4	2.7
3312	NATL STEEL CORP	1567.6	70	1	3312	GRANITE CITY STEEL	312.7	70	S	84.5	08/16/71	1	3.6
3662	I T & T	6697.0	70	1	3452	HARPER H M CO	18.4	70	S	17.0	03/03/71	3	1.5
3399	JOHNS-MANVILLE	528.5	70	1	3229	HOLOPHANE CO	24.7	71	S	60.9	12/15/71	5	3.2
2711	GANNETT CO	160.4	70	1	2711	HONOLULU STAR-BLTN	15.5	70	S	34.0	11/00/71	4	1.4
3561	PARKER-HANNIFIN	157.3	71	1	3599	IDEAL CORP	16.7	70	S	24.4	12/31/71	5	1.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2231	COLLINS & AIKMAN	147.1	70	1	2621	IMPERIAL PAPER	14.9	71	S	21.0	10/22/71	3	1.2
7394	ITEL CORP	237.8	70	1	3573	INFO STORAGE SYSTM	16.5	70			04/15/71	3	3.1
3631	MAGIC CHEF INC	63.9	71	1	3433	JOHNSON CORP	27.7	71			08/19/71	3	.6
0119	AMFAC INC	347.2	70	1	2037	LAMB-WESTON INC	37.6	70	S		08/26/71	3	2.9
2834	SQUIBB BEECH-NUT	632.2	70	1	2844	LANVIN-CHAS RITZ	66.3	70	S	210.0	05/00/71	5	7.0
28XX	BEECHAM GROUP LTD	454.8	70	1	2834	MASSENGILL S E CO	15.1	70	C	54.5	04/01/71	3	2.3
3831	PERKIN-ELMER CORP	123.1	70	1	3548	METCO INC	13.8	71	S	43.0	09/00/71	5	1.8
3533	BAKER OIL TOOLS	68.8	70	1	2819	MILCHEM INC	27.9	70	S		07/01/71	3	.0
6711	POTTER-ENGLEWOOD	18.7	70	1	3613	MUTER CO	10.6	70	S	3.4	07/01/71	3	1.7-
20XX	BORDEN INC	1191.8	70	1	2061	NORTH AMER SUGAR	42.6	70	S	20.0	04/28/71	3	2.0
2641	PAPERCRAFT CORP	58.1	70	1	395X	ODELL INC	27.3	69	S	15.5	03/26/71	5	.4-
	OMEGA-ALPHA INC	.0		2	3357	OKONITE CO/LTV	174.9	70	C	40.5	05/15/71	5	2.0
369X	STUDEBAKER-WORTH	648.7	70	1	1477	PAN AM SUL/SUSQHAN	73.3	70	C	25.0	06/28/71	5	.7-
3312	GROWTH INTERNATL	25.2	70	1	3391	PARK-OHIO INDUSTRS	33.5	70	S		12/07/71	5	2.3
5399	TANDY CORP	173.9	70	1	2387	PARKER P J INC	13.2	70	S		07/01/71	5	.5-
3662	I T & T	6697.0	70	1	2432	PENINSULA PLYWOOD	10.7	70	S		03/12/71	5	.6
3585	MCQUAY INC	39.2	70	1	3714	PERFEX CORP	21.6	70	S	15.5	06/23/71	3	.6
1011	CYPRUS MINES CORP	295.2	70	1	1021	PIMA MINING CO	68.8	70			/ /71	1	21.5
2831	SCHERING CORP	178.3	69	1	2844	PLOUGH INC	98.5	69			01/16/71	3	15.9
2024	BEATRICE FOODS CO	748.0	70	1	2086	RED WING PRODUCTNS	14.1	70			08/00/71	4	.5
2211	INDIAN HEAD INC	269.2	70	1	2256	SCHWARZENBACH HUBR	13.4	70	CS	10.0	02/23/71	3	1.1
3662	I T & T	6697.0	70	1	2871	SCOTT O M & SONS	37.0	70	S	76.9	04/08/71	5	3.4

AR_001579

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3312	VULCAN INC	23.4	70	1	3536	SHEPARD NILES CRAN	10.1	70			04/12/71	3	.6
2819	AMERICAN CYANAMID	1065.9	70	1	2844	SHULTON INC	89.3	70	S	99.7	04/15/71	3	4.6
6152	CHARTER CO	32.7	69	2	2911	SIGNAL COMPLEX(SIG	114.2	70	CS	70.9	01/07/71	1	.6
5099	PACIFIC VEG OIL	32.5	70	2	209X	SLICK(DREW CHEM DV	22.0	70	C	13.0	01/ /71	1	.8-
2282	CELANESE CORP	1610.7	70	1	2094	STEIN HALL & CO	49.5	70	S	26.0	04/13/71	5	1.2
	RYACUSS INC	.0		1	3262	SYRACUSE CHINA COR	11.9	70		7.7	09/28/71	5	.4-
2026	ARDEN-MAYFAIR INC	135.3	70	1	3661	TELAUTOGRAPH CORP	11.5	70	S		12/31/71	5	.5
6711	KATY INDUSTRIES	274.0	69	2	3559	TRANSAMER SHOE/USM	13.6	70	S		03/00/71	3	1.0
3399	CHROMALLOY AMER	301.2	70	1	3589	WATER TREATMENT	24.9	71	S		06/01/71	3	.2
1021	PHELPS DODGE	898.5	70	1	1094	WESTERN NUCLEAR	34.9	70	S	16.8	05/07/71	3	1.8-
3842	KIDDE WALTER & CO	556.2	71	1	3642	WHITEWAY MFG CO	12.3	71			12/31/71	1	1.2
481X	CONTL TELEPHONE	1228.9	70	1	3643	WHITNEY BLAKE CO	10.6	70	S	9.0	07/00/71	2	.7
2052	NABISCO INC	503.9	70	1	2834	WILLIAMS J B CO	57.1	70	S	59.7	12/31/71	5	.9
231X	V F CORP	122.1	70	1	2335	WINDSOR KAY	10.1	70	S		05/00/71	3	1.8
2037	UNITED FOODS INC	35.8	70	1	2037	WINTER GARDN FREEZ	24.2	70			11/02/71	1	.1
	TOTALS FOR 1971			59	MERGERS	ASSETS ACQUIRED=	$2459.9						
3631	TAPPAN CO	80.2	71	2	3585	AMER STD(AIR COND	36.0	71	C	44.0	02/09/72	3	1.4
3634	SUNBEAM CORP	361.6	71	1	3585	BALLY CASE &COOLER	11.4	71	S	16.7	08/04/72	5	1.2
6711	M E I CORP	7.2	71	1	2086	BEVERAGES INC	13.0	71			07/13/72	5	.6
6711	INTERCO INC	437.9	71	1	2328	BIG YANK CORP	11.4	71			07/31/72	1	1.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3421	GILLETTE CO	555.5	71	1	3172	BUXTON INC	15.4	71	S	10.0	04/28/72	5	
3691	GOULD INC	326.0	71	1	3621	CENTURY ELECTRIC	33.9	71	S	33.5	06/15/72	3	1.4
3622	GENL SIGNAL	144.4	71	2	3821	COLO MFG/COLO INTR	43.5	71	S	42.0	04/21/72	3	1.2
1621	WILLIAMS COS	722.3	71	2	2871	CONT OIL(PLANT FOO	125.5	71	C	100.5	02/01/72	1	1.6
492X	INTL UTILITIES	1406.8	71	1	3274	CORSON G & W H INC	14.9	70			03/ /72	5	.7
2021	BEATRICE FOODS CO	748.0	70	1	2013	ECKRICH PETER SONS	54.8	71	S	86.0	01/07/72	3	5.9
3321	HARSCO CORP	230.6	71	1	3442	EDWARDS (KINNEAR)	10.3	71	S	4.9	05/31/72	3	.3
2911	ASHLAND OIL	1030.2	71	2	1311	EMPIRE STATE/HUSKY	38.9	71	C	40.7	01/04/72	1	1.9
5912	ECKERDS INC	.0		1	3679	ERIE TECH PRODUCTS	34.9	71	C	14.6	07/ /72	5	1.4-
0135	ARIZ-COLO LAND&CA	46.5	71	1	3522	FARMHAND INC	16.8	71	S	6.0	06/09/72	2	.5
2092	CENTRAL SOYA CO	221.3	71	1	2096	FILBERT J H INC	14.6	71			04/26/72	2	1.0
3622	EMERSON ELECTRIC	457.7	71	1	3679	FUSITE CORP	11.3	71			09/26/72	3	1.5
2621	SOUTHWEST FOREST	203.7	71	1	2442	GENL BOX CO	16.2	71			12/28/72	1	.3
3323	AMSTED INDUSTRIES	177.1	71	1	3321	GLAMORGAN PIPE&FOU	15.7	71	C	7.7	02/15/72	1	.2
	JOHNSTON INDS INC	.0		2	22XX	GLEN ALDEN(TEXTILE	35.9	71	C	18.0	07/28/72	5	
3662	I T & T	7630.3	71	1	3429	HANCOCK INDS INC	10.7	71	S	16.0	05/23/72	3	1.0
6711	PEOPLES GAS CO	1522.8	72	1	1311	HARPER OIL CO	22.3	72	S	20.0	12/08/72	2	2.1
1381	ZAPATA CORP	510.4	72	1	2094	HAYNIE PRODUCTS	14.4	71	S	11.5	11/14/72	1	.9
3662	I T & T	7630.3	71	1	3312	HIGBIE MFG CO	16.6	71	S	39.0	03/02/72	5	2.2
2833	PFIZER INC	1036.6	71	1	3842	HOWMEDICA INC	34.0	71	S	123.0	10/30/72	3	2.6
2421	WILLAMETTE INDS	203.7	71	1	2421	HUNT LUMBER CO	10.0	71			12/29/72	2	
2086	COCA COLA BOT N Y	83.2	71	1	3429	IGLOO CORP	10.6	71	S	39.0	12/21/72	5	.9

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
6711	M E I CORP	7.2	71	1	2086	INVESTORS GROWTH	24.9	71			07/13/72	5	1.0
3662	RAYTHEON	612.5	71	1	3531	IOWA MFG CEDAR RAP	35.7	71			03/15/72	5	2.5
2833	MERCK & CO INC	709.2	71	1	2833	KELCO CO	16.3	71	S	87.0	11/30/72	3	2.2
2841	COLGATE-PALMOLIVE	652.9	71	1	2211	KENDALL CO	194.4	71	S	514.0	08/16/72	3	11.5
2282	CHROMALLOY AMER	426.1	72	1	3522	KEWANEE MACH&CONV	10.1	72	S		12/28/72	3	.2
2041	GENL MILLS INC	817.8	71	1	2337	KIMBERLY KNITWEAR	14.3	72	S	30.0	10/03/72	5	2.6
1311	TRITON OIL & GAS	8.5	70	1	1311	MAGNA OIL CORP	15.1	71			04/28/72	1	2.5-
2043	QUAKER OATS CO	423.7	71	1	3941	MARX LOUIS & CO	36.3	72	C	51.3	06/30/72	1	3.0
3662	I T & T	7630.3	71	1	3441	MEYER INDS INC	17.1	71	S	43.9	05/26/72	3	
6711	ILLINOIS CENTRAL	1252.7	71	1	3714	MIDAS-INTL CORP	42.1	70	S	75.0	01/25/72	3	2.6
3622	GENL SIGNAL	144.4	71	1	3569	MIXING EQUIP CO	19.0	71	S	23.3	10/24/72	3	1.4
3433	COMBUSTION ENGR	721.5	71	1	2431	MORGAN CO	16.6	72			12/06/72	1	.4
2087	ROYAL CROWN COLA	68.0	71	1	2086	NEHI ROYAL CROWN	10.6	72	S	18.1	10/ /72	2	1.1
3561	COOPER INDUSTRIES	172.1	71	1	3423	NICHOLSON FILE CO	46.9	71			10/31/72	3	1.6
1511	JIM WALTER CORP	809.0	71	2	3292	PANACON/RAPID AMER	106.0	71	C	73.0	04/17/72	1	10.6
	R S R CORP	11.6	71	2	3356	QUEMETCO/ST JOE MI	10.8	70	C	22.0	10/26/72	1	.4
2087	PEPSICO INC	827.7	71	1	2082	RHEINGOLD CORP	101.4	71	C	57.2	11/16/72	2	4.0
2631	FEDERAL PAPER BD	109.4	71	2	2631	RIEGEL (PAPER DIV)	102.9	71	CS	115.6	01/03/72	1	
2621	SOUTHWEST FOREST	203.7	71	2	2621	RIEGEL PRODS/FEDRL	14.5	72	C	9.8	04/03/72	1	.8
7396	BLUE CHIP STAMPS	148.4	70	1	2071	SEES CANDY SHOPS	17.1	71	S	34.2	01/03/72	5	2.2
2813	BIG THREE INDS	125.7	71	2	2818	SIGNAL CHEM/SIGNAL	10.7	71			12/31/72	3	5.4-
6711	U S FILTER CORP	17.3	71	1	3564	SLICK CORP	120.7	71	S	33.3	08/03/72	3	7.2-

AR_001582

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3312	CYCLOPS CORP	304.5	71	1	3444	SMITH ELWIN G & CO	13.2	70			01/12/72	2	1.0
2085	HEUBLEIN	453.6	72	1	201X	SPRING VALLEY FOOD	12.7	72	S	9.8	09/30/72	2	.6
2893	SUN CHEMICAL CORP	97.7	71	1	3679	STAND KOLLSMAN IND	50.8	71	S	10.3	12/29/72	5	10.3-
4833	C B S	830.1	71	1	3931	STEINWAY & SONS	17.5	71	S	19.1	04/28/72	5	.9
6711	NORTON SIMON INC	791.4	71	1	2085	STITZEL-WELLER DIS	17.8	71	S	20.0	06/28/72	2	.9
6711	GULF & WEST/BROWN	2079.1	71	1	3531	SYMONS CORP	18.0	71	C	12.5	03/09/72	3	.6
2231	COLLINS & AIKMAN	179.7	71	1	2272	TENNESSEE TUFTING	10.3	71			03/31/72	3	1.0
	NATL ENERGY CORP	.0		1	1381	TILCO INC	14.4	71			08/ /72	1	9.5-
3551	F M C CORP	1095.5	71	1	3711	WAYNE MFG CO	26.2	71	S	18.0	10/19/72	3	.9
6153	AMFAC INC	451.9	71	1	2011	WILHELM CO	15.2	71			03/02/72	2	.1-
2844	BRISTOL-MYERS CO	796.4	71	1	3842	ZIMMER MFG CO	14.0	70	S	80.5	01/03/72	3	1.8
3634	SUNBEAM CORP	361.6	71	1	3433	ZINK JOHN CO	18.9	71	S	39.0	05/16/72	3	3.0
	TOTALS FOR 1972			60	MERGERS	ASSETS ACQUIRED=	$1885.5						
2026	BORDEN INC	1333.4	72	1	2331	ALEX COLMAN INC	12.0	72	S	14.5	05/25/73	5	1.5
2621	ST REGIS PAPER CO	1028.0	72	1	2611	ALLIED TIMBER CO	11.3	73	S		07/01/73	2	.3
	RED RIVR VAL SUGR	.0		1	2063	AMER CRYSTAL SUGAR	114.8	72	C	50.8	02/21/73	2	2.5
7832	GENL CINEMA CORP	153.8	72	1	2086	AMER PEPSI COLA	20.7	72	S	15.5	03/30/73	4	1.1
2052	NABISCO INC	691.3	72	1	2042	ASSOC PRODUCTS	42.2	73	S	39.6	10/12/73	3	4.1
6711	NEWMONT MINING	856.5	72	1	3241	ATLANTIC CEMENT	73.6	72	C	38.5	06/28/73	1	5.4
1021	CYPRUS MINES CORP	368.9	72	1	1021	BAGDAD COPPER CORP	37.1	72	S	61.0	06/08/73	1	3.7

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3589	ENVIROTECH CORP	129.1	73	2	3585	BAHNSON CO/HILLMAN	15.0	72	CS	7.0	06/29/73	1	.8
20XX	LYONS J (ENGLAND)	817.6	72	1	2024	BASKIN-ROBBINS ICE	14.1	72	C	37.6	12/31/73	5	1.6
6711	GRACE W R & CO	1781.1	72	1	1311	CLEARY PETROLEUM	14.2	72	S	10.1	10/25/73	1	.4
1925	ROCKWELL INTL	1515.1	72	1	3662	COLLINS RADIO CO	278.9	73	C	109.2	10/08/73	5	12.8
4922	COASTAL STATE GAS	795.7	72	1	1311	COLO INTERSTATE	376.2	72	CS		01/02/73	4	10.4
	CHLORIDE ELEC(ENG	.0		1	3679	CONNREX CORP	23.3	73	S	18.8	08/10/73	4	2.3
	BAYER AG (GERMANY	5019.9	73	1	2831	CUTTER LABS INC	88.8	73	S	45.8	12/ /73	3	2.1
6711	REED INTL(ENGLAND	1624.9	73	1	2621	DEERFIELD SPECLTY	17.0	73	C	10.2	09/00/73	3	1.0
1311	SHENANDOAH OIL	24.7	72	1	1311	DEL MAR PETROLEUM	15.9	72			05/31/73	1	.9
2591	NEWELL COS INC	33.9	72	1	3991	E Z PAINTR CORP	24.9	73	C	9.0	03/31/73	5	1.4
2011	UNITED BRANDS CO	1117.8	72	1	2821	FOSTER GRANT CO	90.7	72			06/04/73	1	6.3
2086	COCA COLA BOT N Y	108.8	72	1	2084	FRANZIA BROS WINRY	20.5	73	S		12/17/73	1	1.3
6711	NORTHWEST INDUS	845.7	72	1	3691	GENL BATTERY	52.1	72	C	83.0	04/18/73	5	4.7
3069	AM BILTRITE RUB	93.5	72	2	3069	GLOBE-SUPERIOR/GIR	11.9	70	C	6.5	01/00/73	3	3.1-
6711	MERCHANTS INC	32.6	72	1	3481	HACKNEY CORP	11.6	72	CS	7.2	04/01/73	1	.5
8911	COMBUSTION EQUIP	32.3	72	1	3522	HART-CARTER CO	17.0	71	S	26.0	02/28/73	1	1.7
2844	CHESEBROUGH-PONDS	269.5	72	1	2369	HEALTH-TEX INC	34.8	72	S	207.7	05/17/73	5	6.1
2841	COLGATE-PALMOLIVE	930.5	72	1	2844	HELENA RUBINSTEIN	93.1	72	S	125.0	09/05/73	3	1.8
2023	CARNATION CO	655.2	72	1	3911	HERFF JONES CO	27.6	73	S	32.0	11/08/73	5	2.1
2082	ARMADA CORP	23.2	72	1	3356	HOSKINS MFG CO	15.6	72	C	15.0	06/30/73	5	2.4
	PHILIPS (NETHRLND	8557.4	73	2	3641	I T T/LAMP&LUSTRA	21.5	73	C	20.0	12/31/73	1	1.3-
2631	HOERNER WALDORF	234.7	72	1	2421	INTERMOUNTAIN CO	10.9	72	S	10.8	03/29/73	2	1.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3715	FRUEHAUF CORP	556.6	72	1	3717	KELSEY-HAYES CO	273.8	73	S	92.0	10/31/73	2	11.3
2819	CLOROX CO	107.7	72	1	2999	KINGSFORD CO	32.0	72	S	56.7	03/12/73	5	2.4
1211	UTAH INTL INC	594.1	72	1	1311	LADD PETROLEUM	29.2	73	S	61.0	11/30/73	3	2.4
3566	RELIANCE ELECTRIC	233.7	72	1	3661	LORAIN PRODUCTS	19.9	73	S	29.4	08/07/73	5	1.5
	GEOSOURCE INTL	.0		2	3551	MANDRELL IND/AMPEX	37.6	72	CS	24.5	01/01/73	5	
	STONE-PLATT(ENGLD	.0		2	3552	MAREMONT/SACO-LOWL	22.0	73	C	22.0	07/17/73	4	
2096	NORTON SIMON INC	899.8	72	1	2844	MAX FACTOR & CO	175.7	71	S		02/14/73	5	17.4
3548	BLACK & DECKER	273.6	72	1	3548	MCCULLOCH CORP	64.5	72	S	66.0	10/02/73	2	.3-
2892	HERCULES INC	879.4	72	1	2821	PENNSYL INDUS CHEM	18.4	72	S	15.2	05/31/73	3	1.5
6711	PENNZOIL CO	1733.9	72	1	1311	PENNSYL REFINING	15.0	72	S	10.8	01/ /73	3	1.1
	WECO DEVELOPMENT	13.0	72	1	1311	PETRODYNAMICS INC	13.5	72	S		05/03/73	4	4.1-
2892	HERCULES INC	879.4	72	1	2818	POLAKS FRUTAL WKS	14.4	72	S		10/00/73	5	1.2
1311	MESA PETROLEUM	189.0	72	1	1311	PUBCO PETROLEUM	33.3	72	S	54.9	04/30/73	1	1.6
3432	MASCO CORP	118.5	72	1	3499	REESE PRODUCTS	10.0	73	S		12/00/73	5	1.4
2037	CONSOL FOODS CORP	866.6	72	1	2253	ROBERT BRUCE INC	21.8	72	S	26.0	02/27/73	1	1.6
1925	NORTH AMER ROCKWL	1515.1	72	1	3717	ROCKWELL MFG CO	224.6	72	S	232.0	02/16/73	5	18.8
3432	MASCO CORP	118.5	72	1	3079	RUPERT MFG CO	11.1	73	S	19.5	10/00/73	5	.8
3351	ANACONDA CO	1599.5	72	1	3341	RUSSELL ALUMINUM	17.1	72	C	14.0	01/31/73	3	.8
2026	BEATRICE FOODS CO	1087.5	73	1	2514	SAMSONITE CORP	86.5	72	S	86.0	08/27/73	5	3.6
2211	SPRINGS MILLS	357.7	72	1	2037	SEABROOK FOODS	41.9	72	C	35.3	03/03/73	5	1.9
3361	HOOVER BALL BEAR	121.6	73	1	3429	SENG CO	10.9	73			12/31/73	1	.5
6711	GULF & WEST/BROWN	2230.5	72	1	3449	SHATTUCK DENN MIN	14.6	72	CS	7.5	05/22/73	1	.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
6711	INTERSTATE CORP	335.5	72	1	3391	SPACE CORP	10.2	72			04/26/73	2	.2
6711	GULF & WEST/BROWN	2230.5	72	1	2621	STERLING PULP&PAPR	12.9	73	S		07/00/73	1	1.2
2092	ARCHER-DANIEL-MID	364.9	73	2	2062	SUPREME SUGAR/ARON	12.7	72	S		07/02/73	5	
2721	TIME INC	542.0	72	1	2421	TEMPLE INDS INC	118.8	73	S	94.6	08/17/73	1	9.6
	PHILIPS (NETHRLND	8557.4	73	2	2816	TENNECO/DYESTUFFS	14.9	73			12/31/73	5	.4
28XX	PECHINEY (FRANCE)	3901.8	72	1	3352	TEXAS ALUMINUM CO	14.1	72	S	11.5	06/00/73	2	1.1
6711	GENL TEL & ELECTS	9521.8	72	1	3441	UNISTRUT CORP	13.9	73	S		11/20/73	5	1.3
2335	JONATHAN LOGAN	245.9	72	1	2337	VILLAGER INDS INC	15.2	71	C	7.1	05/31/73	1	11.1-
3742	PACCAR INC	267.6	72	1	3532	WAGNER MINING EQUI	11.7	72	S	4.0	06/00/73	3	.6
1311	RESERVE OIL & GAS	86.6	72	1	1382	WESTERN CRUDE OIL	48.9	72	S	25.7	04/17/73	1	.8
	KYOKUYO CO (JAPAN	.0		1	2031	WHITNEY-FIDALGO	24.5	73	C	10.6	10/10/73	4	1.0
4923	HOUSTON NAT GAS	545.3	73	1	1211	ZEIGLER COAL CO	29.2	73	S		12/13/73	3	1.6
6711	GENL TEL & ELECTS	9521.8	72	1	3613	ZINSCO ELECTL COS	46.7	72	S	65.9	05/22/73	3	4.2
	TOTALS FOR 1973			64	MERGERS	ASSETS ACQUIRED=	$3148.8						
3721	ROCKWELL INTL	2014.2	73	1	3651	ADMIRAL CORP	275.9	73	S	102.0	04/09/74	3	11.1
28XX	CIBA-GEIGY (SWITZ	3759.5	73	1	2842	AIRWICK INDS INC	17.6	73	C	43.5	06/17/74	3	2.7
2026	KRAFTCO CORP	1390.9	73	1	3634	ALUMINUM SPECIALTY	14.9	73	C	6.8	02/12/74	5	.8
6711	I F I INTL (ITALY	.0		2	2731	BANTAM BOOKS/AMER	71.2	72	C	70.0	12/20/74	5	6.1
2621	CROWN ZELLERBACH	1238.5	73	1	2421	BILES-COLEMAN LUMB	31.3	73	S	26.6	03/07/74	1	2.8
3533	HUGHES TOOL CO	185.4	73	2	1389	BYRON JACKSON/BORG	54.8	74	S	80.3	10/16/74	3	4.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3532	INGERSOLL RAND	1007.9	73	1	3551	CAL PELLET MILL CO	17.7	73	S		08/08/74	3	1.2
2911	SUN OIL CO INC	3381.6	73	1	1311	CALVERT EXPLORATN	11.5	74	S		07/ /74	1	.5
1311	PHILLIPS PETROL	3606.8	73	1	1311	CARDINAL PETROLEUM	13.9	73	C	43.7	03/ /74	1	1.9
1311	BUTTES GAS & OIL	115.2	73	1	1381	CHAPMAN DRILLING	15.2	74	S	5.2	06/ /74	1	.3
6711	INTERCO INC	546.9	74	1	2337	COLLEGE-TOWN INC	15.4	74	S	11.6	08/23/74	1	2.1
4911	COMMONWEALTH EDIS	4649.2	73	1	1094	COTTER CORP	14.3	73	S	18.0	08/01/74	2	1.3
2342	WARNACO INC	198.9	73	1	2327	DAYS INC	13.7	73	S	8.7	07/ /74	1	.0
6711	INTERCO INC	510.9	73	1	2253	DEVON APPAREL INC	22.7	73	S	24.0	01/10/74	1	2.9
1021	INTL NICKEL (CANA	2248.8	73	1	3691	E S B INC	315.1	74	C	224.4	08/01/74	5	19.3
6711	GULF & WESTERN	2364.1	73	1	3643	ELCO CORP	22.8	73	C	12.4	08/16/74	3	1.2
3721	UNITED AIRCRAFT	1266.1	73	1	3351	ESSEX INTL INC	464.8	73	S	278.7	02/05/74	5	40.4
3429	EMHART CORP	223.1	73	1	3541	FELLOWS CORP	22.7	73	S	3.4	08/31/74	5	.9
0729	FOXLEY & CO	.0		1	2011	FLAVORLAND INDS	55.5	74	C		11/ /74	1	2.3
1021	NEWMONT MINING	943.5	73	1	3313	FOOTE MINERAL CO	88.2	73	C	37.5	09/ /74	3	2.8
28XX	HOECHST FARB(GERM	5879.0	73	2	3079	FOSTER GRANT/UNITD	118.5	73	C	100.5	12/ /74	3	6.8
	M C CORP	.0		2	2271	GENL FELT/OMEGA-AL	53.8	73	C	27.9	07/25/74	5	5.0-
1021	CERRO CORP	659.6	73	1	3494	GOLCONDA CORP	49.1	73	C	24.5	05/29/74	1	3.2
38XX	SOCIETE SUISSE	.0		2	3873	HAMILTON WATCH/KAT	16.0	74	C	2.4	05/16/74	1	.6
3731	THYSSEN-BORN(NETH	660.4	73	1	2211	INDIAN HEAD INC	328.9	73	C	152.2	08/19/74	5	18.4
3832	PERKIN-ELMER CORP	178.5	73	1	3573	INTERDATA INC	16.4	73	S	39.5	07/31/74	5	1.3
3533	DRESSER IND INC	806.0	73	1	3535	JEFFREY GALION INC	206.4	73	CS	141.2	05/31/74	3	12.9
3262	LENOX INC	68.5	73	1	3911	JOHN ROBERTS INC	15.8	74	C	3.2	12/24/74	5	.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2011	MISSOURI BEEF PAC	56.7	73	1	2011	KANSAS BEEF INDS	33.4	74	S	9.0	09/03/74	1	2.5
20XX	UNITED BISCT(ENGL	197.8	72	1	2052	KEEBLER CO	77.4	73	C	50.9	04/24/74	4	2.0
1211	UTAH INTL INC	701.2	73	1	1311	L V O CORP	49.9	74	S	55.0	10/31/74	1	2.4
3541	ACME-CLEVELAND	105.3	73	1	3541	LASALLE MACH TOOL	46.2	73	S	8.5	06/28/74	3	3.1-
3241	AMCORD INC	199.5	73	1	2511	LITTLE LAKE INDS	10.6	73	CS	8.7	05/10/74	5	.7
4213	ALLEGHANY CORP	194.5	73	1	3452	M S L INDS INC	74.7	73	S	57.5	12/20/74	5	7.8
36XX	PHILIPS (NETHRLND	8557.4	73	1	3651	MAGNAVOX CO	330.7	73	C	167.5	10/ /74	1	6.9
3312	BETHLEHEM STEEL	3919.3	73	1	3444	MASTIC CORP	10.8	73	S		06/ /74	2	.5
2621	ST REGIS PAPER CO	1141.4	73	1	2631	MICH CARTON CO	19.3	73	S	13.6	05/ /74	1	.8
651X	GOODRICH REALTY	45.1	73	1	3031	MIDWEST RUBBER REC	14.3	73			07/ /74	5	.7
3651	MATSUSHITA (JAPAN	3934.7	73	2	3651	MOTOROLA(COLOR TV)	150.6	74	C	100.0	05/28/74	1	3.8-
36XX	ELECTROLUX (SWEDN	682.5	73	1	3635	NATL UNION ELEC	96.6	73	C	51.9	07/01/74	4	8.0
2824	MONSANTO CO	2545.3	73	1	2282	OLYMPIA INDS INC	39.2	74	S	14.6	07/29/74	1	2.3
2818	PENNWALT CORP	437.7	73	1	1473	OZARK-MAHONING CO	22.5	73	CS	24.8	04/ /74	2	2.7
3949	BRUNSWICK CORP	550.0	73	1	2272	OZITE CORP	62.1	73	S	14.0	08/ /74	5	1.4
2841	COLGATE-PALMOLIVE	1151.4	73	1	3949	RAM GOLF CORP	11.9	74	S	20.0	08/ /74	5	1.6
0212	FLYING DIAMOND	19.7	73	1	1381	RAY RESOURCES CORP	28.0	74			12/03/74	1	1.4
8911	FOSTER WHEELER	268.6	73	1	3531	RAYGO INC	20.7	74	S	20.0	05/10/74	5	1.4
6711	KNIGHT NEWSPAPERS	294.8	73	1	2711	RIDDER PUBLICATONS	163.8	74	S	173.9	11/30/74	4	14.2
3532	INGERSOLL RAND	1007.9	73	1	3429	SCHLAGE LOCK CO	59.2	73	S	84.0	04/16/74	5	5.0
3999	WILKINSON MATCH	294.0	74	1	3951	SCRIPTO INC	21.7	73	C	8.0	06/ /74	3	.5
1311	BURMAH OIL (ENGLD	2590.9	73	2	1381	SIGNAL OIL&GAS/SIG	340.1	73	C	480.3	01/28/74	1	13.5

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
1799	ANTHONY INDS INC	20.9	73	1	2631	SIMPLEX INDS INC	26.0	73	C	4.1	12/ /74	5	1.4
3679	TYCO LABS INC	47.6	73	2	3357	SIMPLEX WIRE/HARBL	19.1	73	C	22.0	05/13/74	3	2.6
3691	GOULD INC	483.7	73	1	3825	STATHAM INSTRUMENT	34.7	74			07/02/74	5	2.1
1311	MURPHY OIL CORP	703.9	73	1	1381	STORM DRILL&MARINE	101.4	74	C	109.5	11/25/74	1	9.2-
3532	INGERSOLL RAND	1007.9	73	1	3511	TERRY CORP OF CONN	21.9	74	S	22.0	10/16/74	3	.9
2621	CROWN ZELLERBACH	1238.5	73	1	2421	TREMONT LUMBER CO	18.0	73	C	174.0	12/30/74	1	2.5
2211	INDIAN HEAD INC	328.9	73	1	2655	TRI-WALL CONTAINER	12.2	73	C	20.9	04/ /74	3	1.8
2021	BEATRICE FOODS CO	1419.4	74	1	2511	UNITED CABINET	10.9	74			10/14/74	3	2.1
2819	ETHYL CORP	690.8	73	1	3494	V C A CORP	69.1	73	C	82.3	04/ /74	5	7.2
3714	SHELLER-GLOBE	159.4	73	1	3673	V L N CORP	76.2	74	S	23.3	09/30/74	3	4.4
2011	CONSOL FOODS CORP	1007.7	73	1	2253	VAL D*OR INDS INC	15.0	73	S	7.4	03/29/74	1	1.0
3711	AMER MOTORS CORP	713.0	73	1	3524	WHEEL-HORSE PRODS	14.1	74	CS	8.3	05/ /74	5	1.8
	TOTALS FOR 1974			62	MERGERS	ASSETS ACQUIRED=	$4466.4						
/	GUTHRIE CORP LTD	.0		1	3567	AJAX MAGNATHERMIC	24.6	74	C	27.5	08/ /75	5	3.4
2842	SIGMA INTL LTD	22.5	75	1	2833	ALDRICH CHEMCAL CO	10.5	74			07/31/75	1	1.5
891/	BABCOCK WILCX LTD	452.4	74	1	3714	AMER CHAIN & CABLE	235.1	74	C	69.8	12/ /75	5	6.7
3229	ANCHOR HOCKING	273.5	74	2	3429	AMEROCK/STANLEY WK	39.7	75	C	32.0	09/28/75	5	2.7
3612	AMERACE CORP	165.9	74	1	3429	ANCHOR COUPLING CO	37.5	75	C	20.1	10/23/75	3	2.3
3643	CROUSE-HINDS CO	87.7	74	1	3613	ARROW-HART INC	63.0	74	S	18.7	04/ /75	3	.3
2851	E L T INC	38.7	74	1	2851	BALT PAINT & CHEM	15.5	74			11/ /75	1	1.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
28//	BOEHRINGER MANNHM	.0		1	3841	BIO-DYNAMICS INC	16.5	74	C	24.7	02/ /75	3	1.6
2751	ARCATA NATIONAL	206.0	75	2	2649	C P S IND/PAPRCRFT	19.0	75	C	11.0	12/31/75	5	2.0
3662	GENL SIGNAL	351.3	74	1	2899	CEILCOTE CO	12.7	75	S	6.1	09/04/75	5	1.3
1061	AMAX INC	1767.9	74	1	1311	CENTRAL OIL CO	11.2	75	S	37.8	07/31/75	5	.9
3622	EMERSON ELECTRIC	713.1	74	1	3644	CHANCE A B CO	73.5	74	S	80.6	05/15/75	3	5.3
6711	COMBINED COMMUNIC	197.9	74	2	2711	CINN ENQUIR/AMER F	37.5	74	CS	54.7	09/15/75	3	3.7
2844	REVLON INC	589.8	74	1	3832	COBURN OPTICAL IND	19.6	75	S	66.5	08/ /75	5	4.0
2873	INTL MINRLS & CHM	744.5	74	1	2869	COMMERCIAL SOLVNTS	153.8	74	C	118.1	05/14/75	3	16.8
33//	IMETAL SOCIETE	1195.6	74	1	3312	COPPERWELD CORP	158.3	74	C	71.9	12/ /75	3	18.4
3532	GARDNER-DENVER CO	319.7	74	1	3533	DEMCO INC	15.2	74	S	26.6	03/ /75	3	2.3
2436	GEORGIA-PACIFIC	2230.7	74	1	1311	EXCHANGE OIL & GAS	39.0	75	S	62.5	11/11/75	5	3.2-
4923	SOUTHERN UNION GS	335.9	74	1	2911	FAMARISS OIL CORP	38.3	75	S	8.3	08/ /75	3	1.3
2041	GENL MILLS INC	1205.6	75	1	3143	FOOT JOY INC	11.5	75	S	3.3	07/ /75	3	.6
6711	COLT INDUSTRIES	777.6	74	1	3293	GARLOCK INC	113.0	74	C	83.2	12/05/75	5	6.4
2621	INTERNATL PAPER	2729.9	74	1	1311	GENL CRUDE OIL	108.4	73	C	485.7	02/10/75	5	31.9
2041	GENL MILLS INC	1116.9	74	1	2511	GENL INTERIORS	30.2	74	S	18.9	04/17/75	5	3.8
	I J ENTERPRISES	.0		1	2082	GRAIN BELT BREWRIE	13.1	74	C	4.1	05/01/75	5	.2-
3573	BURROUGHS CORP	2046.3	74	1	3662	GRAPHIC SCIENCES	32.1	74	S	30.0	02/ /75	3	.7
2121	GENL CIGAR CO	169.4	74	1	2131	HELME PRODS INC	46.8	75	C	25.7	07/10/75	3	6.4-
2819	GRACE W R & CO	2502.1	74	1	3533	HOMCO INTL INC	13.2	74	S	14.0	02/ /75	2	
2033	HEINZ H J CO	1144.3	75	1	2046	HUBINGER CO	32.0	75	S	41.4	12/16/75	3	5.3
3321	AMSTED INDUSTRIES	217.8	74	1	3569	HYDROMATION FILTER	14.3	74	C	18.0	07/01/75	5	1.8

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2011	ESMARK INC	1473.9	75	2	2342	INTL PLAYTX/RAP-AM	182.0	75	CS	210.0	11/07/75	5	23.1
6711	GULF & WESTERN	2683.0	74	1	2252	KAYSER-ROTH CORP	402.0	75	S	75.0	06/26/75	5	10.6-
3562	TIMKEN CO	541.5	74	1	3312	LATROBE STEEL CO	55.2	74	S	16.6	04/25/75	2	3.0
2911	ASHLAND OIL	1715.8	74	1	3731	LEVINGSTON SHIPBLD	27.2	75	S	16.6	09/10/75	5	2.4
3622	CUTLER-HAMMER INC	242.0	74	1	3825	MACRODATA CORP	12.0	74	C	7.9	06/01/75	3	.5
3272	INTERPACE CORP	192.6	74	1	3261	MANSFIELD SANITARY	12.3	75	C	13.0	11/07/75	3	
2026	BEATRICE FOODS CO	1658.2	75	1	2041	MARTHA WHITE FOODS	26.2	75	S	29.6	11/18/75	3	2.5
2819	KEWANEE OIL	243.7	74	1	2819	MILLMASTER ONYX	95.2	75	C	57.0	03/31/75	3	8.8
3721	UNITED TECHNOL	1820.1	74	1	3534	OTIS ELEVATOR CO	764.2	74	C	270.0	11/18/75	5	43.5
2621	GREAT NO NEKOOSA	618.8	74	1	2642	PAK-WELL CORP	31.9	75	S	21.0	12/31/75	2	2.2
0179	CASTLE & COOKE	630.5	74	1	2092	PAN-ALASKA FISHRES	15.2	75	S	4.0	06/19/75	1	1.3
3569	DYMO INDS INC	104.0	74	1	3555	PHOTON INC	15.0	75	C	3.8	04/01/75	3	
3211	LIBBEY-OWENS-FORD	579.8	74	1	3079	PIONEER PLASTICS	28.7	75	C	13.7	11/19/75	3	1.0
7814	M C A INC	474.7	74	1	2731	PUTNAMS G P SONS	14.7	75	S	14.4	12/19/75	5	1.5
6711	CHARTER CO	419.9	74	2	2721	REDBOOK&DAYTN/NORT	78.1	75	S	25.0	07/18/75	3	2.5
3533	BAKER OIL TOOLS	301.5	75	1	3533	REED TOOL CO	125.8	75	S	105.5	11/26/75	1	5.6
2711	DOW JONES & CO	156.8	74	1	2731	RICHARD D IRWIN	15.9	75			09/30/75	3	2.2
138/	SCHLUMBERGER LTD	1327.6	74	1	3612	SANGAMO ELEC CO	97.6	74	C	61.2	06/05/75	3	6.6
3275	U S GYPSUM	725.5	73	1	2272	SEQUOYAH INDS INC	27.6	73	C	4.3	01/ /75	5	6.5-
36//	PHILIPS (NETHRLND	11304.4	74	2	3674	SIGNETICS/CORNING	91.4	74	C	43.8	06/10/75	3	3.9-
6711	GULF & WESTERN	2683.0	74	1	2731	SIMON & SCHUSTER	42.4	74	S	10.4	06/11/75	5	2.0
3312	KOPPERS CO INC	647.9	74	1	3559	SPROUT WALDRON &CO	30.8	75	S	15.0	10/ /75	5	2.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY				***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2873	N-REN CORP	.0		1	2819	ST PAUL AMMONIA	49.4	75	C	31.7	10/24/75	3	14.9
3312	ALLEG LUD INDS	656.3	74	1	3822	STANDARD-THOMSON	16.4	73	C	15.0	02/28/75	5	2.3
671/	ANGLO-AMER/HUDSON	1382.7	74	1	2873	TERRA CHEMCLS INTL	75.1	74	C	20.6	07/03/75	5	25.0
3429	EMHART CORP	279.7	74	1	3559	U S M CORP	604.3	75	C	59.0	11/10/75	5	25.2
3711	SIGNAL COMPANIES	1532.9	74	1	2869	UNIVERSAL OIL PROD	443.1	74	CS	121.8	05/13/75	5	27.8
6711	WESTERN PAC INDS	241.9	74	1	3824	VEEDER INDS INC	72.2	74	C	27.4	08/ /75	5	6.7
3714	T R W INC	1698.4	74	2	3674	VIDAR CO/CONTL TEL	27.6	74	S	14.0	05/13/75	3	4.3-
131/	AQUITAINE SOC PET	.0		1	1211	WESTRANS INDS INC	35.9	74	C	58.3	03/07/75	4	8.4
	TOTALS FOR 1975			59	MERGERS	ASSETS ACQUIRED=	$4950.5						
2111	AMER BRANDS INC	2409.4	75	1	3069	ACUSHNET CO	57.3	76	CS	38.7	06/04/76	3	4.3
2911	ASHLAND OIL	2104.9	76	1	1211	ADDINGTON BROS MIN	16.7	75	C	38.0	11/01/76	3	.0
3317	MICH SEAMLSS TUBE	64.8	75	2	3462	AIRCO/VIKING DIV	10.0	76	C	10.0	04/23/76	5	
36//	PHILIPS (NETHRLND	11186.8	75	1	3679	AIRPAX ELECTRONICS	12.3	75	S	8.0	05/13/76	3	1.0
3312	INTERLAKE INC	480.1	75	1	3361	ARWOOD CORP	19.7	75	S	10.9	04/29/76	2	2.9
1311	SOUTHLAND ROYALTY	99.4	75	1	1311	AZTEC OIL & GAS CO	99.3	75	C	177.9	02/ /76	1	5.2
/	BOFORS AB(SWEDEN)	710.2	75	1	3674	B B F GROUP INC	21.3	75	C	15.0	06/29/76	5	.6
2732	ARCATA NATIONAL	206.0	75	1	2751	BAIRD-WARD PRINTNG	16.3	75			03/ /76	1	.9
2844	REVLON INC	752.4	75	1	2834	BARNES-HIND PHARM	15.8	76	S	48.5	11/30/76	5	2.8
1311	RESERVE OIL & GAS	307.2	75	1	1311	BASIN PETROLEUM	34.5	75	S	40.0	01/ /76	1	3.8
2711	HERALD CO/NEWHOUS	.0		1	2711	BOOTH NEWSPAPERS	121.5	75	C	303.6	11/ /76	4	13.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3566	G L CORP/MARMON	.0		1	1021	CERRO CORP	720.7	75			02/24/76	5	2.4-
321/	ST GOBAIN-MOUSSON	5102.4	75	1	3292	CERTAIN-TEED CORP	428.9	75			10/ /76	4	19.5
2844	COLGATE-PALMOLIVE	1443.6	75	1	3143	CHARLES A EATON CO	10.8	75	S	10.0	02/ /76	3	.6
3573	PERTEC CORP	27.1	75	1	3573	COMPUTER MACHINERY	43.2	75	S	5.6	03/ /76	1	4.0-
481/	BELL TEL CANADA	6588.3	75	1	3661	COOK ELECTRIC CO	21.4	75	C	30.0	12/ /76	4	1.8
324/	SOC CIMENTS(FRANC	.0		1	3241	COPLAY CEMENT MFG	22.9	75	C	11.1	07/15/76	4	.3-
4923	UNITED ENERGY RES	652.7	75	1	1311	COTTON PETROLEUM	29.2	76	S	40.5	12/02/76	2	2.8
3579	DICTAPHONE CORP	65.9	75	1	2645	DATA DOCUMENTS INC	28.2	75	C	20.9	10/ /76	3	2.9
3574	N C R CORP	2194.7	75	1	3573	DATA PATHING INC	15.4	75	S	45.7	06/25/76	3	2.5
2834	WARNER-LAMBERT CO	1808.2	75	1	3841	DESERET PHARMCTCAL	32.2	76	C	110.2	12/ /76	3	5.5
/	SANDVIK AB(SWEDEN	1055.3	75	1	3423	DISSTON INC	37.8	74	C	25.4	02/11/76	5	.9
36//	LANDIS &GYR(SWITZ	469.8	75	1	3611	DUNCAN ELECTRIC CO	18.3	76	C	21.3	09/20/76	3	1.0
1311	MARATHON OIL CO	2005.4	75	2	2911	ECOL/ENERY CORP LA	223.9	76	C	402.0	09/20/76	1	
6711	PENN CENTRAL CO	1488.0	74	1	2911	EDGINGTON OIL CO	70.9	76	C	51.0	09/ /76	5	7.3
3312	PORTER H K	144.6	75	1	3643	FANSTEEL INC	62.3	75	C	30.2	05/ /76	5	1.4
3714	HOUDAILLE IND INC	189.7	75	1	3568	FT WORTH STEEL&MCH	12.0	75	C	18.4	11/ /76	3	1.9
7813	COLUMBIA PICTURES	278.7	76	1	3999	GOTTLIEB D & CO	28.8	76	C	50.3	12/10/76	5	4.6
3433	COMBUSTION ENGR	1054.5	75	1	3533	GRAY TOOL CO	46.1	75	C	66.9	11/11/76	3	4.4
3679	TYCO LABS INC	64.3	75	2	3569	GRINNELL FIRE/IT&T	32.5	75	C	28.5	01/16/76	5	1.4
131/	TOTAL PETR(CANADA	195.3	75	1	1382	HANOVER PETROLEUM	37.4	75	C	35.0	04/30/76	1	1.6
1211	BLUE DIAMOND COAL	.0		1	3369	HEPPENSTALL CO	23.3	75			10/ /76	5	.7
/	HANSON TRUST(ENGL	.0		1	2011	HYGRADE FOOD PRODS	73.3	75	C	28.0	03/ /76	5	5.3

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3691	GOULD INC	641.7	75	1	3613	I-T-E IMPERIAL	384.3	75	CS	176.4	04/30/76	3	17.4
3674	ADVANCED MEMORY	20.4	76	1	3674	INTERSIL INC	18.6	76			11/09/76	1	2.9-
7379	D P F INC	77.9	76	1	2051	INTERSTATE BRANDS	110.7	75	C	33.7	12/ /76	5	6.3
2421	LOUISIANA-PACIFIC	549.7	75	1	2611	KETCHIKAN PULP CO	105.6	75	C	46.0	11/ /76	1	7.0
3251	JUSTIN INDS INC	52.1	75	1	1411	KINGSTIP INC	27.0	75	CS	9.0	08/01/76	3	1.5
2026	BEATRICE FOODS CO	1844.4	76	1	2045	KRISPY KREME DONUT	26.1	76			05/ /76	3	3.4
2026	BEATRICE FOODS CO	1844.4	76	1	2821	LIQUID NITROGEN PR	10.4	76			11/17/76	5	.3
3143	INTERCO INC	573.7	75	1	2385	LONDONTOWN CORP	50.2	75	S	33.3	02/ /76	3	2.7
2082	OLYMPIA BREWING	69.3	75	1	2082	LONE STAR BREWING	33.3	75	S	17.6	12/29/76	4	2.0
3564	WHEELABRATOR-FRYE	242.1	75	1	3562	M P B CORP	39.5	76	C	28.0	11/16/76	5	2.9
6711	GULF & WESTERN	3305.7	75	1	3241	MARQUETTE CO	155.4	75	S	50.0	09/16/76	5	5.2
2231	COLLINS & AIKMAN	234.0	76	1	2211	MASTERCRAFT CORP	10.8	76	S	12.0	04/29/76	1	2.1
3312	NORTHWEST INDS	1184.1	75	1	3452	MICRODOT INC	140.3	75	C	81.0	03/ /76	5	11.4
3662	WESTERN GEAR CORP	78.2	75	2	3555	MILLER PRNT/C DATA	10.4	75	C	8.0	01/30/76	3	
3312	PORTER H K	144.6	75	1	3241	MISSOURI PORTLAND	96.9	75			01/ /76	5	5.6
2043	KELLOGG CO	680.4	75	1	2051	MRS SMITHS PIE CO	51.5	75	S	56.8	08/ /76	3	4.9
6711	BASS BROS ENTRPRS	.0		1	2042	NATL ALFALFA DEHYD	29.5	75	S	14.9	01/09/76	5	3.0
2013	MICKELBERRY CORP	19.5	75	1	2011	NEUHOFF BROS PACKR	11.5	75			05/ /76	4	1.2
/	ESSELTE AB(SWEDEN	.0		1	2645	OXFORD PENDAFLEX	37.4	75	C	28.7	06/01/76	4	1.9
3496	ANTA CORP	57.2	76	1	3079	P P D CORP	12.8	75	C	10.0	09/ /76	5	2.2
1311	MARATHON OIL CO	2005.4	75	1	1311	PAN OCEAN OIL CORP	139.5	76	C	268.0	04/ /76	1	.7
2721	PITTWAY CORP	101.7	75	1	2721	PENTON INC	14.8	75	C	18.0	06/30/76	3	1.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY				***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3564	WHEELABRATOR-FRYE	242.1	75	2	3555	PRINTING DVLP/TIME	13.1	75	CS	8.6	01/ /76	1	
3143	INTERCO INC	573.7	75	1	2339	QUEEN CASUALS INC	18.5	75	S	32.0	02/20/76	3	4.7
3573	BURROUGHS CORP	2435.0	75	1	3573	REDACTRON CORP	20.8	75	S	9.0	01/23/76	3	1.3-
3533	HUGHES TOOL CO	377.5	75	1	3533	REGAN OFFSHORE INT	15.0	76	S	22.8	12/17/76	3	3.2
2844	COLGATE-PALMOLIVE	1443.6	75	1	2044	RIVIANA FOODS INC	269.0	76	S	180.0	06/ /76	5	11.9
3568	REXNORD INC	349.9	75	1	3452	ROCKFORD PRODUCTS	42.6	76	S	33.0	10/29/76	5	3.4
3622	EMERSON ELECTRIC	851.0	75	1	3811	ROSEMOUNT INC	28.8	76	S	51.1	08/18/76	1	3.1
7391	E G & G INC	84.6	75	1	3564	ROTRON INC	20.9	75	C	11.1	02/20/76	5	1.1
3662	LEAR SIEGLER	390.4	76	1	3231	ROYAL INDS INC	150.9	75	C	85.0	12/28/76	5	5.6
3532	INGERSOLL-RAND	1673.2	75	1	3532	S & S CORP	29.2	76	S	55.0	12/15/76	1	6.4
30//	B T R LTD(ENGLAND	221.8	75	1	3069	S W INDUSTRIES INC	23.7	75	C	30.0	07/09/76	4	2.9
2752	STECHER-TRAUNG-SC	21.7	75	1	2751	SAFRAN PRINTING CO	22.8	75	CS	8.0	04/ /76	3	.8
3351	GENL CABLE CORP	341.5	75	1	3679	SPRAGUE ELECTRIC	141.9	75	C	68.0	12/06/76	2	10.3-
1031	ST JOE MINERALS	555.9	75	1	1211	TENN CONSOL COAL	25.3	76	S	41.8	08/19/76	1	7.6
3312	KOPPERS CO INC	679.7	75	1	2899	THIEM CORP	11.7	75	S	12.7	05/ /76	5	1.0
27//	JEFFERSON SMURFIT	.0		1	2653	TIME INDS INC	17.8	75	C	9.6	02/ /76	3	1.1
6711	MIDCON INDS	72.4	74	1	2753	U S BANKNOTE CORP	20.8	75	C	16.5	07/28/76	5	3.9
3411	AMERICAN CAN CO	1855.3	75	1	3341	U S REDUCTION CO	43.6	75	S	40.6	06/17/76	5	8.3
3612	GENL ELECTRIC CO	9763.5	75	1	1211	UTAH INTL INC	1130.8	76			12/20/76	5	111.6
2911	QUAKER STATE OIL	214.8	75	1	1211	VALLEY CAMP COAL	87.7	75	S	50.9	05/13/76	3	6.0
3724	THIOKOL CORP	208.5	75	1	2819	VENTRON CORP	32.6	75	C	25.3	08/ /76	3	.9
3832	PERKIN-ELMER CORP	240.7	75	1	3679	WANGCO INC	18.0	76	S	23.0	06/ /76	3	1.0

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***							
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2026	BEATRICE FOODS CO	1844.4	76	1	3469	WATERLOO INDS INC	18.3	75			02/26/76	5	2.6
5182	ALCO STANDARD	423.6	75	1	2241	WYOMISSING CORP	14.8	76	C	6.8	07/ /76	2	.5
4925	PANHNDL ESTRN PIP	1694.6	75	1	1211	YOUGHIOGHENY &OHIO	62.0	75	S	74.4	08/01/76	3	8.0
3452	LAMSON & SESSIONS	75.1	75	1	3743	YOUNGSTWN STL DOOR	37.9	75	C	21.9	10/04/76	5	1.0
	TOTALS FOR 1976			81	MERGERS.	ASSETS ACQUIRED=	$6279.2						
	ROKKOR INDS INC	.0		1	3714	A J INDS INC	35.4	76			04/07/77	5	2.5
2869	UNION CARBIDE	6621.6	76	2	2819	AMCHEM/RORER-AMCHE	97.4	76	S	140.0	04/ /77	3	8.2
2041	PILLSBURY CO	1105.4	77	1	2098	AMER BEAUTY MACARO	21.4	77			09/ /77	3	3.7
1311	ATLANTIC RICHFIEL	8853.3	76	1	1021	ANACONDA CO	2050.9	76	CS	784.4	01/12/77	5	39.8-
1311	NATOMAS CO	504.6	75	2	1311	APEXCO/APACHE	64.5	75	C	127.0	01/03/77	1	11.9
2082	IROQUOIS BRANDS	40.4	76	1	2041	ARCHON INC	16.1	76			10/ /77	3	.9
28X/	HOECHST A G	8753.7	76	1	2833	CALBIOCHEM	12.2	76			11/30/77	1	.2-
3662	I T & T CORP	11070.1	76	1	1211	CARBON INDS INC	105.3	76	S	260.9	02/11/77	5	23.0
1021	KENNECOTT COPPER	2308.8	76	1	3291	CARBORUNDUM CO	532.2	76	C	567.0	12/19/77	2	32.8
3312	ALLEG LUD INDS	664.7	76	1	2813	CHEMETRON CORP	420.3	77	C	230.0	12/07/77	5	14.2
3291	NORTON CO	575.1	76	1	3533	CHRISTENSEN INC	88.2	76	S	100.0	03/03/77	3	9.5
2211	REEVES BROTHERS	126.1	76	1	2254	CINDERELLA KNITTIN	12.5	76	C	9.3	01/07/77	3	1.8
3949	BRUNSWICK CORP	715.7	76	1	3494	CIRCLE SEAL CORP	10.0	75	C	15.0	01/28/77	5	.9
3312	NORTHWEST INDS	1400.0	76	1	2086	COCA-COLA L A	104.4	76	C	200.0	11/23/77	5	11.1
3312	NORTHWEST INDS	1400.0	76	1	2086	COCA-COLA MID AMER	31.6	76	C	28.4	11/10/77	5	2.4

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
7813	TWENTIETH CEN-FOX	344.0	76	1	2086	COCA-COLA MIDWEST	24.8	76	C	27.6	09/ /77	5	2.7
3651	MOTOROLA INC	1156.8	76	1	3662	CODEX CORP	32.5	76	S	85.6	05/25/77	3	3.3
3842	AMER HOSPITAL SUP	839.3	76	1	3842	CONSYNE CORP	12.8	76	S	27.0	02/ /77	1	1.5
2011	ILLINI BEEF PAKRS	18.9	77	2	2013	COPELND&SCHW/GREEN	12.6	77	C	8.9	07/ /77	1	1.6-
1311	LOUISANA LND&EXPL	677.4	76	1	1021	COPPER RANGE CO	150.5	76	S	52.7	05/24/77	3	2.4-
1031	ST JOE MINERALS	659.3	76	1	1311	COQUINA OIL CORP	44.1	76			03/15/77	3	3.1
2611	WILLAMETTE INDS	437.9	76	1	2653	CORCO INC	30.9	76			05/ /77	3	2.7
3297	HEPWORTH CERAMIC	.0		1	3259	DICKEY W S CLAY	29.7	76	C	15.4	02/ /77	1	.6
2111	LIGGETT GROUP INC	679.5	76	1	3949	DIVERSFIED PRODS	23.4	76	S	25.9	02/17/77	5	2.5
4925	PANHNDL ESTRN PIP	1837.1	76	1	1381	DIXILYN CORP	32.8	76	S	24.2	05/06/77	3	4.0
6711	CHARTER CO	522.9	76	1	2721	DOWNE COMMUNIC INC	57.6	76	C	2.8	08/12/77	5	7.7
2087	DR PEPPER CO	74.8	76	1	2086	DR PEPPER BTL S CA	21.1	76	S	13.0	02/23/77	1	.8-
3721	UNITED TECHNOL	2626.4	76	1	3662	DYNELL ELECTRONICS	18.8	77	C	21.0	12/27/77	5	.7
3622	I T & T CORP	11070.1	76	1	1311	EASON OIL CO	54.0	77			08/30/77	5	4.7
3552	LEESONA CORP	88.2	76	1	3559	EGAN MACHINERY CO	16.1	76	C	12.0	12/09/77	1	1.0
4613	KANEB SERVICES	138.5	76	1	1311	FERGUSON OIL & GAS	15.0	77	S	11.2	08/18/77	3	.2
2821	REICHHOLD CHEMS	328.8	76	2	3229	FERRO/ GLASS FIBER	11.0	76	C	11.0	05/31/77	3	
1044	ROSARIO RESOURCES	90.1	76	1	1044	FRESNILLO CO INC	26.4	77			09/06/77	1	.5
2819	GRACE W R & CO.	2755.9	76	1	1381	GLASSCOCK DRILLING	11.4	77			11/16/77	3	1.3
3011	CARLISLE CORP	88.6	76	1	3679	GRAHAM MAGNETICS	14.8	76			11/29/77	5	1.1
1021	CERRO-MARMON CORP	557.5	76	1	3931	HAMMOND CORP	77.9	76			01/26/77	5	1.3
	FABIAN TEXTILE	.0		1	2253	HAMPSHIRE-DESIGNRS	35.8	76	C	17.7	07/29/77	3	1.1

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2026	BEATRICE FOODS CO	2128.9	77	1	3465	HARMAN INTL INDS	103.1	77	S	103.0	08/01/77	5	9.1
4832	CHATHAM CORP	10.2	76	1	2048	HARVEST INDS INC	13.1	76			05/31/77	5	.6
6711	GULF & WESTERN	3480.3	76	1	2341	HER MAJESTY INDS	18.1	76	S	16.4	01/25/77	5	2.4
371/	FIAT S P A	6159.3	76	1	3523	HESSTON CORP	148.7	77	C	20.0	09/ /77	3	6.2-
4469	TIDEWATER MARINE	220.4	76	1	1389	HILLIARD OIL & GAS	18.4	76	S	31.2	06/30/77	3	1.4
2435	CHAMPION INTL	2180.5	76	1	2631	HOERNER-WALDORF	365.7	76	S	302.0	02/24/77	3	32.9
3261	WALLACE MURRAY	226.1	77	1	3432	HYDROMETALS INC	70.1	76			03/07/77	5	6.0
3585	CARRIER CORP	859.5	76	1	2893	INMONT CORP	334.3	76	CS	40.0	12/27/77	5	20.1
3411	PACIFIC HOLDING	48.3	76	1	1041	INTL MINING CORP	89.4	76			07/08/77	3	5.5
3341	CLABIR CORP	21.8	77	1	2026	ISALY CO (THE)	12.1	76	C	7.3	04/01/77	1	.4
2834	ELI LILLY & CO	1583.4	76	1	3841	IVAC CORP	12.4	76	S	60.0	11/30/77	2	2.9
2086	MEI CORP	67.1	76	1	2086	J F W ENTER SEARCH	12.0	76	CS	4.2	02/18/77	1	.6
6711	CULLMAN VENTURES	.0		1	2752	KEITH CLARK INC	16.0	76			09/ /77	5	1.7
1311	GULF OIL CORP	13449.0	76	1	2819	KEWANEE INDS INC	389.0	76			09/19/77	3	35.4
3429	VARLEN CORP	27.5	77	1	3743	KEYSTONE INDS INC	19.8	76	C	12.8	10/ /77	3	1.0
7813	WARNER COMMUNIC	848.1	76	1	3942	KNICKERBOCKER TOY	33.7	76	C	61.0	07/12/77	5	5.6
327/	PORTLAND-ZEMENT	.0		1	3241	LEHIGH PORTLAND CE	149.0	76	C	85.0	09/ /77	1	6.1
3662	RAYTHEON	1511.3	76	1	3573	LEXITRON CORP	14.3	76	C	15.0	12/31/77	3	.2-
2026	BEATRICE FOODS CO	2128.9	77	1	2591	LIKEN INC	12.2	77			05/03/77	3	1.9
364/	SIEMENS A G	8229.7	76	1	3679	LITRONIX INC	27.2	75	C	7.5	10/ /77	3	.6
6711	LYDALL INC	17.5	76	1	2652	LOGISTICS INDS	18.0	76			06/15/77	3	1.2
3533	BAKER INTL CORP	494.1	76	1	2899	MAGNA CORP	16.9	76	S	10.0	01/01/77	3	1.4

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2327	BILLY THE KID INC	30.4	76	1	2327	MANN MFG INC	15.4	75			02/09/77	1	1.6-
3531	FMC CORP	1919.6	76	1	2869	MARINE COLLOIDS	17.6	76	C	28.0	12/01/77	5	1.5
3728	BUEHLER CORP	14.1	76	1	3559	MAUL BROTHERS INC	21.1	76			09/30/77	1	1.3
3469	NORRIS INDUSTRIES	231.8	76	1	3469	MCINTOSH CORP	35.5	76	S	47.0	06/30/77	1	5.5
6711	COLT INDUSTRIES	941.3	76	1	3728	MENASCO MFG CO	63.5	76			05/20/77	3	5.2
3452	HI-SHEAR CORP	19.7	76	1	3494	MIDWOOD INDS INC	20.2	76			01/28/77	5	3.2
/	BAYER A G	8516.8	76	1	2834	MILES LAB INC	381.8	76	C	253.4	11/09/77	3	16.2
366/	RACAL ELECTRONICS	.0		1	3662	MILGO ELECTRONIC	59.5	76			02/ /77	1	2.4
2621	DEXTER CORP	133.2	76	1	2899	MOGUL CORP	45.6	76	S	50.0	05/09/77	3	4.2
1311	UNION OIL OF CAL	4226.8	76	1	1061	MOLYCORP INC	163.6	76	S	240.0	07/29/77	3	18.1
6711	TENNECO INC	7177.1	76	1	3714	MONROE AUTO EQUIP	190.3	76	S	166.9	07/ /77	5	2.7
	CITY POST PUBL	.0		1	2721	NEW YORK MAGAZINE	12.3	76			07/01/77	1	1.5-
3559	COMPO INDS INC	17.5	76	1	2295	PANDEL-BRADFORD	23.8	76	CS	10.0	12/30/77	5	1.9
4925	PANHNDL ESTRN PIP	1837.1	76	1	1389	PEL-LYN GODAGER	87.3	76			05/06/77	3	7.9
7832	GENERAL CINEMA	201.6	76	1	2086	PEPSI-COLA W DC	13.1	75	C	15.5	05/19/77	5	2.1
2086	MEI CORP	67.1	76	2	2086	PEPSI-ST L/HAMILTN	12.9	76	C	5.2	03/ /77	1	
327/	TURNER & NEWALL	594.4	76	1	3861	PHILIP A HUNT CHEM	52.1	77	C	59.0	10/ /77	5	6.3
3079	ROBINTECH INC	101.7	77	1	3079	PLASTILINE INC	17.4	76			11/30/77	1	.7
4923	HOUSTON NAT GAS	902.9	76	1	3731	POTT INDS INC	197.9	76			07/26/77	2	20.0
3317	MARK CONTROLS	51.4	76	1	3822	POWERS REGULATOR	68.9	77	C	36.0	10/03/77	3	1.6
3545	GIDDINGS & LEWIS	90.9	76	1	3443	PRESSED STEEL TANK	10.3	77	S	5.5	06/ /77	2	.8
3566	RELIANCE ELECTRIC	454.5	76	1	3661	RELIABLE ELECT	31.1	76			05/17/77	3	2.9

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2851	N L INDS INC	1080.6	76	1	3533	RUCKER CO	119.6	76	S	165.0	01/21/77	3	17.0
5311	MANGEL STORES INC	10.0	77	1	3452	RUSSELL BURDS WARD	82.1	77	C	54.2	12/30/77	5	3.8
3861	XEROX CORP	4612.4	76	1	3573	SHUGART ASSOCIATES	10.7	77	S	41.0	12/20/77	3	
3662	GENL SIGNAL	412.1	76	1	3567	SOLA BASIC INDS	121.9	77	S	109.5	09/30/77	1	8.5
2621	ST REGIS PAPER CO	1489.2	76	1	2621	SOUTHLAND PAPER	296.6	76	S	243.0	12/01/77	1	18.3
6711	GANNETT CO	377.0	76	1	2711	SPEIDEL NEWSPAPERS	60.0	76	S	170.1	05/11/77	1	10.2
4011	I C INDS INC	2353.0	76	1	3743	STANRAY CORP	47.3	76	S	32.8	04/28/77	3	4.7
6211	CARL MARKS & CO	.0		1	2221	STERN & STERN	13.6	76	C	10.6	11/11/77	5	1.0
2086	COCA-COLA CO	1903.1	76	1	2084	TAYLOR WINE CO	74.8	76			01/24/77	3	5.6
3079	DELTON INDS INC	24.3	76	1	3552	TUFTCO CORP	13.3	76	C	9.6	09/30/77	5	1.7
/	PRICEL S A	.0		1	2262	UNITED PIECE DYE	15.3	77			09/ /77	1	2.2-
3999	WALTER KIDDE & CO	869.4	76	1	3573	VICTOR COMPTOMETER	142.5	76			07/15/77	5	5.4
3523	ALASKA INTERSTATE	188.9	76	1	1311	VIRGINIA INTL CO	18.7	76	S	30.0	07/28/77	1	1.6
3714	DANA CORP	967.0	76	1	3494	WEATHERHEAD CO	89.3	77			09/ /77	1	4.7
4011	SANTA FE INDS INC	2997.4	76	1	1311	WESTATES PETROLEUM	29.4	75	C	70.0	01/21/77	1	3.6
3714	ROCKWELL INTL	2888.6	76	1	371X	WESTERN WHEEL CO	15.4	77			11/17/77	3	1.1
3532	JOY MFG CO	485.0	76	1	3494	WHEELING MACH PROD	34.3	77			07/29/77	3	3.4
2111	PHILIP MORRIS	3582.2	76	1	2621	WISCONSIN TISSUE	18.2	76	S	19.0	02/08/77	5	2.4
2066	HERSHEY FOODS	321.7	76	1	2065	Y & S CANDIES INC	10.1	77	S	13.4	11/30/77	1	1.6

TOTALS FOR 1977 100 MERGERS ASSETS ACQUIRED= $9004.2

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
/	BOC INTL LTD	1398.3	77	1	2813	AIRCO INC	857.5	77	C	332.0	05/ /78	3	55.5
203/	NESTLE SA	7443.2	77	1	2834	ALCON LABORATORIES	90.8	77	C	267.6	01/ /78	5	9.0
3212	INTERPACE CORP	287.9	77	1	3433	ALLIED THERMAL	41.4	76	C	43.0	01/ /78	2	3.0
3566	MARMON (G L CORP)	644.8	77	1	2399	AMER SAFETY EQUIP	53.2	77	C	26.3	08/01/78	5	3.2
3721	GENL DYNAMICS	1601.1	77	1	3661	AMER TELECOMMUNICA	18.6	77	CS		12/01/78	5	.2-
3523	ALLIS-CHALMERS	1146.1	77	1	3564	AMERICAN AIR FILT	218.1	77	C	153.0	10/02/78	1	9.2
394/	LESNEY PRODUCTS	.0		1	3944	AMT CORP	11.9	77	C	8.7	08/10/78	1	.2-
344/	DOMINION BRIDGE	394.8	77	1	3714	AMTEL INC	158.5	77	S	65.0	01/ /78	3	2.2
1311	SUPERIOR OIL	1106.9	77	1	1382	AUSTRAL OIL CO	78.0	76	C	170.0	04/ /78	1	3.7
3351	GENL CABLE CORP	496.6	77	1	3079	AUTOMATION INDS	123.5	77	C	111.6	05/26/78	5	10.9
	EASTERN SHORES FD	.0		1	2016	BASIC FOOD INDS	11.6	76			11/01/78	1	.2
2844	CHESEBROUGH-PONDS	575.4	77	1	3143	BASS G H & CO	17.6	77	C	27.1	07/31/78	5	1.6
506/	THYSSEN AG	5722.8	77	1	3465	BUDD CO (THE)	655.5	77	C	275.0	04/ /78	2	45.9
/	AGA AB	602.2	77	1	2813	BURDOX INC	24.9	77			01/20/78	1	2.1
6221	RIVERSIDE FOODS	.0		1	2013	BURING FOOD GROUP	12.4	77	C	8.1	10/ /78	3	1.4
1311	CONSOL OIL & GAS	93.2	77	1	1381	BURNS R L CORP	154.3	77	C	14.6	07/ /78	2	4.5
4811	UNITED TELECOMMUN	2784.2	77	1	3573	CALMA CO	15.2	78	S	17.0	09/01/78	5	1.2
3714	ARVIN INDS INC	265.4	78	2	3999	CALSPAN CORP	20.0	77	C	8.8	04/21/78	3	1.3-
3647	STUDEBAKER-WORTH	915.2	77	1	3496	CAMPBELL CHAIN CO	59.0	77	C		05/31/78	5	5.8
3479	CHROMALLOY AMER	752.0	77	1	2339	CAMPUS CASUALS-CA	13.1	77	S	13.5	06/30/78	5	1.4
3711	A-T-O INC	376.5	77	1	3842	CAPTECH INC	11.2	77	C		10/ /78	3	.4
2834	ELI LILLY & CO	1752.6	77	1	3693	CARDIAC PACEMAKERS	25.8	77	S	127.0	12/ /78	3	4.8

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TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2011	CONSOL FOODS CORP	1188.0	77	1	2038	CHEF PIERRE INC	25.9	77	S	34.5	05/12/78	1	2.9
344/	THOMAS TILLING	1023.5	77	1	3564	CLARKSON INDS INC	22.8	77	C	25.0	03/ /78	5	1.9
2086	COCA-COLA BOT N Y	235.0	77	1	2086	COCA-COLA BOTL PLT	12.3	77	C	13.1	06/16/78	1	1.4
3011	GOODRICH B F	1698.5	77	1	3535	CONTINENTAL CONVEY	26.7	77	CS	61.0	07/21/78	5	5.5
2026	BEATRICE FOODS CO	2560.0	78	1	3589	CULLIGAN INTL CO	74.7	77	S	54.0	06/02/78	5	4.0
3714	EATON CORP	1545.7	77	1	3622	CUTLER-HAMMER INC	334.9	77	C	261.0	08/ /78	1	24.0
/	NORTHERN TELECOM	740.8	77	1	3573	DATA 100 CORP	159.5	77	C		11/ /78	3	6.1
1211	KANEB SERVICES	207.0	77	1	1381	DIAMOND M CO	139.1	77	S	102.4	05/12/78	2	8.5
3714	DYNEER CORP	47.1	78	1	3799	DICO CORP	22.5	77	C	23.8	11/17/78	3	2.7
208/	MOLSON COS LTD	408.4	78	1	2842	DIVERSEY CORP	72.3	77	C	60.0	06/ /78	5	4.1
3563	NORDSON CORP	.0		1	2048	DOMAIN INDUSTRIES	33.5	77			11/ /78	5	1.2
6211	OPPENHEIMER & CO	.0		1	2335	DONNKENNY INC	28.9	77			12/ /78	5	3.8
/	ESSELTE AB (SWED)	466.0	77	1	3569	DYMO INDS INC	120.5	77			07/12/78	2	4.7
3069	DAYCO CORP	325.1	77	1	3041	ELECT HOSE & RUBB	33.7	77	S	9.4	03/ /78	1	1.7
/	NIPPON ELECTRIC	3744.9	78	1	3674	ELECTRONIC ARRAYS	11.2	78	C	8.9	12/ /78	3	2.1
2819	GRACE W R & CO	2941.0	77	1	2821	EMERSON & CUMING	10.2	78	S	15.0	06/05/78	3	1.1
2819	NATL DIS & CHEM	1293.3	77	1	2819	EMERY INDS INC	181.7	77	CS		05/ /78	1	8.5
2834	WARNER-LAMBERT	2107.2	77	1	2051	ENTENMANNS INC	58.1	78	C	233.0	10/27/78	5	11.2
3714	T R W INC	2056.7	77	1	3662	ESL INC	23.6	77	C	40.9	06/ /78	3	2.9
4811	CONTL TELEPHONE	2243.5	77	1	3662	EXECUTONE INC	27.7	77	S	26.5	/ /78	3	.8
3842	JOHNSON & JOHNSON	2019.8	78	1	3999	EXTRACORPOREAL MED	34.6	77	S	39.0	05/ /78	3	1.2
2421	LOUISIANA-PACIFIC	678.2	77	1	2611	FIBREBOARD CORP	189.6	77	C	60.0	06/27/78	3	6.5-

AR_001602

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
/	BOW VALLEY INDS	150.5	77	1	1311	FLYING DIAMOND OIL	81.2	76	C	135.0	01/ /78	3	15.6
1311	RESERVE OIL & GAS	455.4	77	1	1382	FLYNN ENERGY CORP	15.1	77	C	30.3	12/13/78	1	1.4
4833	C B S INC	1518.1	77	1	3944	GABRIEL INDS INC	32.9	77	C	27.0	08/18/78	5	2.8
3822	JOHNSON CONTROLS	285.5	77	1	3691	GLOBE-UNION	203.6	77	CS		10/10/78	5	23.2
2711	TIMES MIRROR CO	843.3	77	1	2782	GRAPHIC CONTROLS	39.8	76	C	47.6	05/ /78	3	3.4
5599	AMER JET INDS INC	.0		2	3721	GRUMMAN AMER AVIAT	103.1	77	CS	52.5	09/01/78	1	4.8
/	CLARK C & J LTD	.0		1	3143	HANOVER SHOE INC	38.0	76	C	27.0	01/06/78	1	3.1
3321	AMSTED INDS INC	309.7	77	1	3494	HENRY PRATT CO	22.6	78	C	57.5	04/24/78	1	4.0
3691	GOULD INC	1169.1	77	1	3662	HOFFMAN ELECTRONIC	35.7	77	S	16.2	01/31/78	3	1.6
3573	HONEYWELL	2429.4	77	1	3573	INCOTERM CORP	27.1	77	S	38.7	01/ /78	1	2.5
2721	TIME INC	1053.3	77	1	2653	INLAND CONTAINER	308.3	77	CS	270.0	11/14/78	5	21.9
671/	ANGLO-AMER	1073.0	76	1	1021	INSPIRATION CONSOL	143.8	77	C	65.8	07/31/78	5	11.1-
3143	INTERCO INC	899.8	78	1	2352	INTERNATIONAL HAT	15.4	77	S	6.9	03/31/78	3	
2086	COCA-COLA BOT N Y	235.0	77	1	3229	JEANNETTE CORP CO	40.7	77	C	39.7	08/02/78	2	3.4
2895	CABOT CORP	579.1	77	1	3339	KAWECKI-BERYLCO	124.8	77	C	94.0	04/ /78	5	7.7
3714	EATON CORP	1545.7	77	1	3537	KENWAY INC	18.4	77	CS		02/09/78	3	1.9
2732	ARCATA NATL	260.4	77	1	2611	KEYES FIBRE CO	121.6	77	CS	95.3	11/30/78	2	5.2
6711	LDB CORP	49.2	78	1	2451	LANCHART INDS INC	10.4	77	C		11/27/78	5	.8
3662	GENL SIGNAL	601.0	77	1	3822	LEEDS & NORTHRUP	133.4	77	C	160.0	09/29/78	1	5.8
3914	TOWLE MFG	25.4	77	1	3914	LEONARD SILVER	25.5	77	S	13.4	09/08/78	1	1.9
	CARGILL INC	.0		1	2899	LESLIE SALT CO	46.3	77	C	29.6	06/03/78	5	3.0
2761	DUPLEX PRODS	41.6	77	1	2761	LEWIS BUSINESS PRO	21.5	77	CS	11.4	01/31/78	1	1.1

AR_001603

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
2721	HARPER & ROW PUBL	86.2	77	1	2731	LIPPINCOTT J B	42.0	76	CS		09/20/78	1	.8
3544	V S I CORP	119.3	78	1	3599	LIQUIDONICS INDS	34.4	77			07/ /78	2	1.3
2011	LTV CORP	2066.0	77	1	3312	LYKES CORP	1658.0	78	S	188.0	12/12/78	1	.2-
3241	LONE STAR INDS	667.5	77	2	3273	MAULE INDS INC	188.9	75	C	54.2	02/06/78	2	8.7-
3728	EX-CELL-O CORP	362.9	77	1	3714	MCCORD CORP	89.0	77			01/27/78	5	7.4
2022	UNIVERSAL FOODS	86.0	77	1	2086	MID-CONTINENT INDS	21.0	77	S		06/ /78	3	2.2
3317	UNARCO IND INC	123.4	77	1	3462	MIDWEST CORP	20.0	77		5.9	02/06/78	5	1.3
6711	FEDERAL CO	158.4	77	1	2077	NATL BY-PRODUCTS	33.2	76	S	33.8	02/15/78	2	4.7
209/	UNILEVER LTD	9066.5	77	1	2891	NATL STARCH & CHEM	247.3	77	C	485.0	08/15/78	5	25.2
3643	HARVEY HUBBELL	146.4	77	1	3264	OHIO BRASS (THE)	62.9	77	CS	54.0	08/25/78	3	4.7
3296	JOHNS-MANVILLE	1333.8	77	1	2621	OLINKRAFT INC	460.4	77	C	585.0	12/29/78	5	34.6
344/	INDAL LTD	175.3	77	1	3442	PEACHTREE DOORS	21.7	77	C	20.8	05/ /78	3	2.8
2089	I C INDS INC	2613.2	77	1	2023	PET INC	488.3	77	C	406.0	08/ /78	3	29.3
203/	CADBURY SCHWEPPES	1115.1	77	1	2065	PETER PAUL INC	38.5	77	C	58.2	04/28/78	3	4.6
2086	COCA-COLA CO	2223.9	77	1	2643	PRESTO PRODUCTS	29.7	77	S	45.7	05/31/78	5	4.7
3574	N C R CORP	2340.8	77	1	3573	QUANTOR CORP	17.3	77	C	8.7	12/01/78	1	1.5
3662	I T & T	12285.5	77	1	3573	QUME CORP	31.8	78	S	147.5	12/ /78	3	5.8
2819	ESSEX CHEMICAL	44.7	77	1	2869	RACON INC	19.6	77			01/26/78	3	.7
2874	WILLIAMS COS	1882.8	77	1	1382	RAINBOW RESOURCES	18.6	78	S	46.0	08/29/78	5	2.0
3581	U M C INDUSTRIES	139.2	77	1	3599	RESISTOFLEX CORP	21.1	77	C	38.5	05/31/78	5	2.6
4743	TRANS UNION CORP	1386.1	77	1	3679	ROCHESTER INST SYS	10.3	77	S	15.4	01/ /78	5	1.2
4924	ENSERCH CORP	1456.2	77	1	2298	SAMSON OCEAN SYSTM	27.6	77	S		05/19/78	2	.5

AR_001604

TABLE 26 - LIST OF MANUFACTURING AND MINING COMPANIES ACQUIRED WITH ASSETS OF $10.0 MILLION OR MORE, 1948-1978

ACQUIRING COMPANY					***ACQUIRED COMPANY***								
SIC#	NAME	ASSETS	YR	WH-PT	SIC#	NAME	ASSETS	YR	HOW ACQ	CON PAID	DATE OF COMPLETION	TYPE	NET PRFT
3714	EATON CORP	1545.7	77	1	3079	SAMUEL MOORE & CO	50.6	78		68.1	04/27/78	2	4.5
2111	PHILIP MORRIS	4048.0	77	1	2087	SEVEN-UP CO	145.7	77	C	520.0	06/23/78	3	25.6
5084	PETROLANE INC	405.8	77	1	1381	SIGNAL DRILLING CO	11.5	78	CS		/ /78	2	2.4
6711	GULF & WESTERN	4159.1	77	1	2515	SIMMONS CO	276.8	77			11/ /78	5	7.8
3724	THIOKOL CORP	286.1	78	1	3079	SOUTHWEST CHEMICAL	30.0	77	C	44.8	05/ /78	5	3.3
2869	WITCO CHEMICAL	353.2	77	1	2992	SOUTHWEST PETRO-CH	38.8	77	C	20.1	08/ /78	3	1.9
2041	PILLSBURY CO	1105.4	77	1	2099	SPEAS CO	13.2	77	S	6.6	05/24/78	3	1.8
3673	SCIENTIFIC-ATLANT	35.8	77	1	3825	SPECTRAL DYNAMICS	11.3	77			02/ /78	3	1.3
2021	LAND O LAKES INC	.0		1	2011	SPENCER FOODS INC	52.0	77	C	11.9	10/31/78	3	2.0-
6711	CONERGICS CORP	.0		1	2385	STEARNS MFG (MINN)	10.7	77			03/17/78	5	1.1
6711	ESMARK INC	1799.9	77	2	2992	STP CORP	71.8	77	C	116.5	05/11/78	5	7.3
/	NORTHERN TELECOM	740.8	77	1	3573	SYCOR INC	65.8	77	S	75.0	05/26/78	3	3.2
/	CANADIAN PACIFIC	6721.7	77	1	3262	SYRACUSE CHINA	18.7	77	C	19.5	05/03/78	5	2.3
7321	DUN & BRADSTREET	457.4	77	1	2721	TECHNICAL PUBLISH	13.6	76	S	43.0	01/19/78	3	2.8
3534	DOVER CORP	260.3	77	1	3443	TRANTER INC	18.8	77	C	19.3	01/05/78	5	1.9
2026	BEATRICE FOODS CO	2560.0	78	1	2033	TROPICANA PRODUCTS	131.3	77	C	490.0	08/08/78	3	22.5
2844	BRISTOL-MYERS CO	1494.0	77	1	3843	UNITEK CORP	27.8	77	S	65.5	04/06/78	3	3.4
3949	BRUNSWICK CORP	732.3	77	1	3433	VAPOR CORP	58.9	77	CS	92.0	09/15/78	5	6.0
3533	BAKER INTL CORP	640.4	77	1	3532	WEST VA ARMATURE	15.4	78			/ /78	3	1.0-
3564	WHEELABRATOR-FRYE	339.6	77	1	3536	WHITING CORP	45.5	77	S		03/01/78	3	6.6
	WDS INC	.0		1	3441	WOODS CORP	54.7	77	C	30.1	12/13/78	5	4.2
371/	BTR LTD (ENGLAND)	368.5	77	1	3494	WORCESTER CONTROLS	35.7	77	CS	48.0	08/28/78	5	2.9

TOTALS FOR 1978 110 MERGERS ASSETS ACQUIRED= $10705.5

AR_001605

TABLE 27 - LIST OF COMPLETE NAMES FOR LARGE MERGER SERIES, 1978

ACQUIRING COMPANY	***ACQUIRED COMPANY***
BOC INTERNATIONAL LTD (ENGLAND)	AIRCO INC
NESTLE SA (SWITZERLAND)	ALCON LABORATORIES INC
INTERPACE CORP	ALLIED THERMAL CORP
ALLIS CHALMERS CORP	AMERICAN AIR FILTER CO
MARMON GROUP (GL CORP)	AMERICAN SAFETY EQUIPMENT CORP
GENERAL DYNAMICS CORP	AMERICAN TELECOMMUNICATIONS CORP
LESNEY PRODUCTS & CO LTD (ENGLAND)	AMT
DOMINION BRIDGE CO LTD (CANADA)	AMTEL INC
SUPERIOR OIL CO INC	AUSTRAL OIL CO
GENERAL CABLE CORP	AUTOMATION INDS INC
EASTERN SHORES FOOD CORP	BASIC FOOD INDS INC
THYSSEN AG (WEST GERMANY)	BUDD (THE) CO
AGA AB (SWEDEN)	BURDOX INC
RIVERSIDE FOODS LTD	BURING FOOD GROUP INC
CONSOLIDATED OIL & GAS INC	BURNS R L CORP
UNITED TELECOMMUNICATIONS INC	CALMA CO
ARVIN INDS INC	CALSPAN CORP/CORNELL UNIVERSITY
STUDEBAKER-WORTHINGTON INC	CAMPBELL CHAIN CO
CHROMALLOY AMERICAN CORP	CAMPUS CASUALS OF CALIFORNIA
A-T-O INC	CAPTECH INC
ELI LILLY & CO	CARDIAC PACEMAKERS INC
CONSOLIDATED FOODS CORP	CHEF PIERRE INC
THOMAS TILLING LTD (ENGLAND)	CLARKSON INDS INC
COCA-COLA BOTTLING CO OF NEW YORK INC	COCA-COLA BOTTLING PLANTS INC
GOODRICH B F CO	CONTINENTAL CONVEYOR & EQUIPMENT CO
BEATRICE FOODS CO	CULLIGAN INTERNATIONAL CO

AR_001607

TABLE 27.- LIST OF COMPLETE NAMES FOR LARGE MERGER SERIES, 1978

ACQUIRING COMPANY	***ACQUIRED COMPANY***
EATON CORP	CUTLER-HAMMER INC
NORTHERN TELECOM LTD (CANADA)	DATA 100 CORP
KANEB SERVICES INC	DIAMOND M CO
DYNEER CORP	DICO CORP
MOLSON COS LTD (CANADA)	DIVERSEY CORP
NORDSON CORP	DOMAIN INDS INC
OPPENHEIMER & CO	DONNKENNEY INC
ESSELTE AB (SWEDEN)	DYMO INDS INC
DAYCO CORP	ELECTRIC HOSE & RUBBER CO
NIPPON ELECTRIC CO OF TOKYO (JAPAN)	ELECTRONIC ARRAYS INC
GRACE W R & CO	EMERSON & CUMING INC
NATIONAL DISTILLERS & CHEMICAL CORP	EMERY INDS INC
WARNER-LAMBERT CO	ENTENMANNS INC
TRW INC	ESL INC
CONTINENTAL TELEPHONE CORP	EXECUTONE INC
JOHNSON & JOHNSON	EXTRACORPOREAL MEDICAL SPECIALTIES IN
LOUISANA PACIFIC CORP	FIBREBOARD CORP
BOW VALLEY INDS LTD (CANADA)	FLYING DIAMOND OIL CORP
RESERVE OIL & GAS CO	FLYNN ENERGY CORP
CHESEBROUGH-PONDS INC	G H BASS & CO
CBS INC	GABRIEL INDS INC
JOHNSON CONTROLS INC	GLOBE-UNION INC
TIMES MIRROR CO	GRAPHIC CONTROLS CORP
AMERICAN JETS INDS INC	GRUMMAN AMERICAN AVIATION/GRUMMAN COR
CLARK C & J LTD (ENGLAND)	HANOVER SHOE INC
AMSTED INDS INC	HENRY PRATT CO

AR_001608

TABLE 27 - LIST OF COMPLETE NAMES FOR LARGE MERGER SERIES, 1978

ACQUIRING COMPANY	***ACQUIRED COMPANY***
GOULD INC	HOFFMAN ELECTRONICS CORP
HONEYWELL INC	INCOTERM CORP
TIME INC	INLAND CONTAINER CORP
ANGLO AMERICAN CORP (SOUTH AFRICA)	INSPIRATION CONSOLIDATED COPPER CO
INTERCO INC	INTERNATIONAL HAT CO
COCA-COLA BOTTLING CO OF NEW YORK INC	JEANNETTE CORP CO
CABOT (THE) CORP	KAWECKI-BERYLCO INDS
EATON CORP	KENWAY INC
ARCATA NATIONAL CORP	KEYES FIBRE CO
LDB CORP	LANCHART INDS INC
GENERAL SIGNAL CORP	LEEDS & NORTHRUP CO
TOWLE MFG	LEONARD SILVER INTERNATIONAL INC
CARGILL INC	LESLIE SALT CO
DUPLEX PRODUCTS INC	LEWIS BUSINESS PRODUCTS INC
HARPER & ROW PUBLISHERS INC	LIPPINCOTT J B CO
VSI CORP	LIQUIDONICS INDS INC
LTV CORP	LYKES CORP
LONE STAR INDS INC	MAULE INDS INC/MIAMI CARIBE INVEST
EX-CELL-O CORP	MCCORD CORP
UNIVERSAL FOODS CORP	MID-CONTINENT INDS INC
UNARCO INDS	MIDWEST CORP
FEDERAL CO	NATIONAL BY-PRODUCTS INC
UNILEVER LTD (ENGLAND)	NATIONAL STARCH & CHEMICAL CORP
HARVEY HUBBELL INC	OHIO BRASS (THE) CO
JOHNS-MANVILLE CORP	OLINKRAFT INC
INDAL LTD (CANADA)	PEACHTREE DOORS INC

AR_001609

TABLE 27 - LIST OF COMPLETE NAMES FOR LARGE MERGER SERIES, 1978

ACQUIRING COMPANY	***ACQUIRED COMPANY***
I C INDS INC	PET INC
CADBURY SCHWEPPES (ENGLAND)	PETER PAUL INC
COCA-COLA (THE) CO	PRESTO PRODUCTS INC
NCR CORP	QUANTOR CORP
INTERNATIONAL TELEPHONE & TELEGRAPH	QUME CORP
ESSEX CHEMICAL CORP	RACON INC
WILLIAMS (THE) COMPANIES	RAINBOW RESOURCES INC
UMC INDS	RESISTOFLEX CORP
TRANS UNION CORP	ROCHESTER INSTRUMENT SYSTEMS INC
ENSERCH CORP	SAMSON OCEAN SYSTEMS INC
EATON CORP	SAMUEL MOORE & CO
PHILIP MORRIS INC	SEVEN-UP CO
PETROLANE INC	SIGNAL DRILLING CO
GULF & WESTERN INDS INC	SIMMONS CO
THIOKOL CORP	SOUTHWEST CHEMICAL SERVICES INC
WITCO CHEMICAL CORP	SOUTHWEST PETRO-CHEM INC
PILLSBURY CO	SPEAS CO
SCIENTIFIC-ATLANTA INC	SPECTRAL DYNAMICS CORP
LAND O LAKES INC	SPENCER FOODS INC
CONERGICS CORP	STEARNS MFG CO (MINN)
ESMARK INC	STP CORP/STUDEBAKER-WORTHINGTON INC
NORTHERN TELECOM LTD (CANADA)	SYCOR INC
CANADIAN PACIFIC LTD (CANADA)	SYRACUSE CHINA CORP
DUN & BRADSTREET CORP	TECHNICAL PUBLISHING CO
DOVER CORP	TRANTER INC
BEATRICE FOODS CO	TROPICANA PRODUCTS INC

AR_001610

TABLE 27 - LIST OF COMPLETE NAMES FOR LARGE MERGER SERIES, 1978

ACQUIRING COMPANY	***ACQUIRED COMPANY***
BRISTOL-MYERS CO	UNITEK CORP
BRUNSWICK CORP	VAPOR CORP
BAKER INTERNATIONAL CORP	WEST VIRGINIA ARMATURE CORP
WHEELABRATOR-FRYE INC	WHITING CORP
WDS INC	WOODS CORP
BTR LTD (ENGLAND)	WORCESTER CONTROLS CORP

AR_001611

Section III

Joint Venture Series

A. Introduction

The data contained in Part B (tables) and Part C (lists) presented in this section are for joint ventures meeting the following criteria: (1) the joint venture represents the formation of a new company; (2) at least one American company is a participant. Joint ventures operating either domestically or in a foreign country are included in this series. Because there was a lack of general information on joint ventures, the data presented are for the number of joint ventures recorded; thus the possibility exists that some of the joint ventures were never consummated. The source materials used for collecting data for this series are the same as those used for the other series.

B. Tables - Joint Venture Series

Table 28 shows the number of new joint ventures recorded by industry for 1978. Table 29 is a summary of the number of joint ventures recorded for the period 1972-1978. The figures in this table are subject to revision each year, as the series is updated.

The number of new joint ventures recorded in 1978 is 114, a slight decrease over the 1977 figure of 115 (Tables 28 and 29). Companies in manufacturing accounted for 60 or 52.6 percent of the total joint ventures recorded. There were 54 joint ventures in nonmanufacturing, representing the remaining 47.4 percent. Ventures in chemicals, electrical and nonelectrical comprised 31 of the 60 manufacturing joint ventures.

The category of "unknown" joint ventures refers to those for which classification codes could not be assigned. For counting purposes, these ventures were placed into the broad categories of manufacturing and nonmanufacturing.

C. Lists - Joint Venture Series

Table 30 lists new joint ventures and the companies participating in them. The list is arranged in joint venture number order. The following is a brief explanation of what appears on the list:

Joint venture number--Each joint venture was assigned an identification number. The same number appears for the companies participating in the joint venture.

Card number--The card number for the joint venture (newly formed company) listed is always "0". The card number for the participating companies listed is always consecutive.

AR_001612

Industrial classification code (SIC)--An SIC was assigned to the joint venture if the business of the venture was known. The SIC for the participating company was derived from the same sources that were used for the other merger series.

New name--Whenever possible, the name of the joint venture appears in this column. If a name was not available, N/A (not available) appears. When this occurs, a description of the venture's business is given.

Participating companies--These are the names of the participants in the joint venture. If a participating company is a subsidiary, the name of the parent company appears.

Percent share--This is the percentage portion each participating company owns in the joint venture.

AR_001613

Table 28

Number of New Joint Ventures Recorded, by Industry, 1978

Major Industry Group of Joint Venture	1978
Total	114
Manufacturing	61
Food and Kindred Products	2
Tobacco Manufactures	0
Textile Mill Products	0
Apparel	0
Lumber Products, Except Furniture	0
Furniture and Fixtures	1
Paper and Allied Products	1
Printing and Publishing	3
Chemicals	13
Petroleum	1
Rubber and Plastics	1
Leather Products	1
Stone, Clay, Glass and Concrete	1
Primary Metals	4
Fabricated Metal Products	3
Nonelectrical Machinery	9
Electrical Machinery	10
Transportation Equipment	6
Instruments and Related Products	4
Miscellaneous	1
Mining	6
Nonmanufacturing and Other	39
Unknown	8

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001614

Table 29

Number of New Joint Ventures
Recorded, by Year, 1972-1978

Year	Recorded Joint Ventures 1/
1972	289
1973	247
1974	130
1975	82
1976	106
1977	115
1978	114

1/ Figures are subject to revision.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001615

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
1	0	50XX	NAMCO LEUZE INC		
1	1	3541		ACME-CLEVELAND CORP	50
1	2			LEUZE GROUP	50
6	0	2731	HACHETTE VENDOME PRESS		
6	1			ALEX GREGORY (PUBL)	
6	2			LIBRAIRIE HACHETTE S A	
8	0	3511	UTILITY POWER CORP		
8	1	3523		ALLIS-CHALMERS CORP	15
8	2	3648		SIEMENS A G	85
13	0		N/A TO PURCHASE MOTION PICTURE DISTRIBTN		
13	1			AMERICAN DISTRIBUTORS INC	
13	2	2086		WOMETCO ENTERPRISES INC	
14	0	6331	EGYPTIAN AMERICAN INSURANCE CO		
14	1			AMER INTL REINSURANCE CO INC	
14	2			AL CLARK	
15	0	3674	GOLD STAR MICROSYSTEMS INC		
15	1	3674		AMERICAN MICROSYSTEMS INC	50
15	2			GOLD STAR CO OF SEOUL	50
16	0	4925	N/A COAL GASIFICATION PLANT		
16	1	4923		AMERICAN NATURAL RESOURCES CO	20

AR_001616

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
16	2	6711		TENNECO INC	20
16	3	4925		PEOPLES GAS CO	20
16	4	4923		TRANSCO COS	20
16	5	4922		COLUMBIA GAS SYSTEMS INC	20
19	0	3272	AMERON SAUDI ARABIA LTD		
19	1	3272		AMERON INC	
19	2			SAUDI ARABIAN AMIANTIT CO	
24	0	2515	ADCOM WIRE CO		
24	1	3312		ARMCO INC	50
24	2	2515		LEGGETT & PLATT INC	50
28	0	3443	WALWORTH-SERCK-ALOYCO		
28	1	1311		ATLANTIC RICHFIELD CO	
28	2	3443		SERCK LTD	
29	0	63XX	N/A TO SELL INSUR TO AVON REPRESENT A LOWER		
29	1	2844		AVON PRODUCTS INC	
29	2	6311		MONARCH CAPITAL CORP	
30	0	73XX	HEMISPHERE LEASING ASSOCIATES		
30	1	6025		BALDWIN-UNITED CORP	47
30	2			BOLIVIAN POWER CO	50
30	3			DAYTON HYDRAULIC CO	3

AR_001617

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
31	0	35XX	MERCANTILE INDUSTRIAS MECHANICAS S/A		
31	1	3531		BARBER-GREENE CO	
31	2	61XX		BANCO MERCANTIL	
32	0	2621	N/A NEWSPRINT MILL		
32	1	5111		BATO CO INC	40
32	2	2711		DOW JONES & CO INC	30
32	3	2711		WASHINGTON POST CO	30
33	0	7011	IRAN OIL INVESTMENT		
33	1	1541		BECHTEL CORP	30
33	2	3721		MESSERSCHMITT-BOELKOW-BLOHM M B H	20
33	3			NATIONAL IRANIAN OIL CO	50
36	0	78XX	N/A PROVIDE FEARTURE FILMS BY SATELLITE		
36	1	3861		BELL & HOWELL INC	
36	2	7011		HOLIDAY INNS INC	
36	3	7813		TWENTIETH CENTURY-FOX FILM CORP	
36	4			SOUTHERN SATELLITE SYSTEMS	
37	0	3714	N/A ELECTRONIC PARTS FOR AUTOS		
37	1	3714		BENDIX CORP	49
37	2	3711		REGIE NATIONALE DES USINES RENAULT	
39	0	7374	TRANSTEC S A		

AR_001618

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
39	1	7372		BRANDON APPLIED SYSTEMS INC	40
39	2			COMPAGNIE INTERNATIONALE DE SERVICE	60
40	0	28XX	BRAY PEARSALL CHEMICAL		
40	1			BRAY PROCESSING CO	50
40	2	2869		PEARSALL CHEM CORP	50
43	0	1211	NORTHERN RESOURCES INC		
43	1	4011		BURLINGTON NORTHERN INC	
43	2	3569		UNITED STATES FILTER CORP	
44	0	3573	TATA-BURROUGHS LTD		
44	1	3573		BURROUGHS CORP	50
44	2			TATA SONS LTD	50
46	0	7011	RITZ ASSOCIATES		
46	1	8911		C D I CORP	35
46	2	6711		HARDWICKE COS INC	50
46	3			BEST ASSOCIATES	15
47	0		NIPOON SUPER ALLOY K K		
47	1	2895		CABOT CORP	
47	2	3537		MITSUBISHI HEAVY INDS LTD	
49	0	516X	CARBOLINE SOUTHEAST ASIA PTE LTD		
49	1	2851		CARBOLINE CO	

AR_001619

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
49	2	6711		JARDINE MATHESON & CO LTD	
52	0	3711	N/A TO PRODUCE HEAVY DUTY TRUCKS		
52	1	3711		CHRYSLER CORP	35
52	2	35XX		TAIWAN MACHINERY MFG CO	45
52	3			PRIVATE SECTOR OF TAIWAN	20
54	0	28XX	SAYTECH INC		
54	1	1311		CITIES SERVICE CO	
54	2	3497		HEXCEL CORP	
55	0	4922	OZARK GAS TRANSMISSION SYSTEM		
55	1	4922		COLUMBIA GAS SYSTEM INC	
55	2	6711		TENNECO INC	
55	3	4922		TEXAS OIL & GAS CORP	
55	4	4924		OKLAHOMA NATURAL GAS CO	
56	0	50XX	R N C (NUCLEAR) LTD		
56	1	3433		COMBUSTION ENGINEERING INC	34
56	2			ROLLS-ROYCE LTD	33
56	3			NORTHERN ENGINEERING INDS	33
57	0	3861	SAVIN/CONRAC MANUFACTURING CO		
57	1	3811		CONRAC CORP	
57	2			SAVIN CORP	75

AR_001620

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
58	0	33XX	INDUSTRIAL FUEL GAS CO		
58	1	4924		CONSOLIDATED NATURAL GAS CO	
58	2	1622		DRAVO CORP	
59	0	3411	CONTINENTAL CAN SAUDI ARABIA LTD		
59	1	3411		CONTINENTAL GROUP INC	40
59	2			AHMAD HAMAD ALGOSAIBI BROTHERS	
60	0	1311	N/A OIL & NATURAL GAS		
60	1	1311		CONTINENTAL OIL CO	67
60	2	2282		DUPONT E I DENEMOURS & CO	33
61	0	3585	TO PRE-COPELAND		
61	1	3585		COPELAND CORP	
61	2			TOKYO PRESS & DIE CO	
62	0	3312	COPPERICO DO BRAZIL		
62	1	3312		COPPERWELD CORP	
62	2	3623		ERICO PRODUCTS INC	
64	0	3662	WESTINGHOUSE CUBIC LTD		
64	1	3662		CUBIC CORP	50
64	2	3662		WESTINGHOUSE BRAKE & SIGNAL LTD	50
67	0	42XX	N/A UNDERGROUND STORAGE & DISTRIB TERMINAL		
67	1	2899		DIAMOND CRYSTAL SALT CO	60

AR_001621

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
67	2			N/A	
71	0	2821	MITSUI POLYCHEMICALS CO		
71	1	2282		DUPONT E I DENEMOURS & CO	50
71	2			MITSUI PETROCHEMICAL CO	50
73	0	8299	LINQUARAMA BRITANNICA LTD		
73	1	2731		ENCYCLOPEDIA BRITANNICA INC	
73	2			LINQUARAMA LTD	
75	0	3714	FACET IBERICA S A		
75	1	3714		FACET ENTERPRISES INC	50
75	2			SPANISH INVESTORS	
76	0	3674	N/A TO PRODUCE SEMICONDUCTORS		
76	1	3674		FAIRCHILD CAMERA & INSTRUMENT CORP	
76	2	3629		GENERAL ELECTRIC CO LTD OF BRITAIN	
77	0	1731	INTERNATIONAL MECHANICAL & ELECTRCL CONTRAC		
77	1	1731		FISCHBACH & MOORE INC	
77	2			HAJI ABDULLAH ALIREZA & CO	
78	0	7391	EFLAB		
78	1	7391		FLOW GENERAL INC	
78	2			LABSYSTEMS OY	

AR_001622

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
79	0	1629	FLUOR-BRIONES ENGINEERS & CONSTRUCTORS LTD		
79	1	1629		FLOUR CORP	
79	2			BRIONES H & CO	
82	0	6159	G E C C & MN LEASING CORP		
82	1	3612		GENERAL ELECTRIC CO	
82	2	6025		MARYLAND NATIONAL CORP	
83	0	7374	GENERAL INFORMATION SERVICES CO		
83	1	3612		GENERAL ELECTRIC CO	84
83	2	3573		HONEYWELL INC	16
89	0	6025	SMS/GIRARD LEASING ASSOCIATES		
89	1	6025		GIRARD CO	
89	2			SCIENTIFIC MEASUREMENT SYSTEMS INC	
90	0	6211	LOMBARD-WALL INTERNATIONAL LTD		
90	1	6025		GIRARD CO	
90	2	6211		LOMBARD-WALL INC	
91	0	3613	GOULD-BROWN BOVERI		
91	1	3691		GOULD INC	50
91	2	3559		B B C BROWN BOVERI & CO LTD	50
92	0	1211	H-G COAL CO		
92	1	2819		GRACE W R & CO	

AR_001623

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
92	2	1011		HANNA MINING CO	
93	0	1094	N/A URANIUM DEVELOP		
93	1	1791		GREAT BASINS PETROLEUM	30
93	2	4011		UNION PACIFIC CORP	30
93	3	4911		SOUTHERN CALIF EDISON CO	40
94	0	1311	RIO BLANCO OIL SHALE CO		
94	1	1311		GULF OIL CORP	
94	2	2911		STANDARD OIL CO IND	
97	0	3674	N/A TO MNFR INTEGRATED CIRCUITS IN FRANCE		
97	1	3662		HARRIS CORP	49
97	2			SOCIETE MATRA	51
98	0	3361	HONSEL-HAYES ALUMINUM PRODUCTS CO		
98	1	3714		HAYES-ALBION CORP	
98	2			HONSEL-WERKE A G	
99	0	3714	HENDRICKSON ASIA		
99	1			HENDRICKSON INTL	
99	2			HITACHI METALS LTD	
101	0	28XX	BOOTS-HERCULES AGROCHEMICALS CO		
101	1	2821		HERCULES INC	
101	2	2834		BOOTS CO LTD (THE)	

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TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
102	0	28XX	CUSTOM OIL RECOVERY TECHNOLOGY CO		
102	1	2821		HERCULES INC	
102	2	1311		PHILLIPS PETROLEUM CO	
103	0	20XX	K F C DEMEXICO		
103	1	2085		HEUBLEIN INC	
103	2			CUERVO CORP	51
104	0	3573	E I-HONEYWELL INFORMACIONI SISTEMI		
104	1	3573		HONEYWELL INC	30
104	2			ELEKTRONSKA INDUSTRIJA	63
104	3			PROGRES	7
105	0	3573	HONEYWELL INFORMATION SYSTEMS (JAPAN) INC		
105	1	3573		HONEYWELL INC	80
105	2			MITSUBISHI OFFICE MACHINERY CO LTD	20
108	0	5042	IDEAL TOY K K		
108	1	3944		IDEAL TOY CORP	
108	2			NOMURA TOYS LTD	
110	0	7379	DATA PROCESSING MAINTENANCE & SERVICES LTD		
110	1	3573		INTL BUSINESS MACHINES CORP	40
110	2			NIGERIAN INTERESTS	
111	0	3511	TURBINAS SOLAR S A DE C V		

AR_001625

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
111	1	3711		INTERNATIONAL HARVESTER CO	
111	2			CORPORACION DYNAVULCANO S A	
112	0	3711	N/A MNFR MEDUIM & HEAVY DUTY DIESEL TRUCKS		
112	1	3711		INTL HARVESTER CO	40
112	2			MEXICAN INVESTORS	60
113	0	5081	N/A MKT ITEL COMPUTER SYSTEMS & PERIPHERALS		
113	1	7394		ITEL CORP	49
113	2			MEXICAN INVESTORS	51
114	0	8911	JACOBS INDYBAU S A DE C V		
114	1	1541		JACOBS ENGINEERING GROUP INC	49
114	2			INDUSTRIEBAU S A	51
117	0	3612	BALTEAU STANDARD INC		
117	1	3612		KATY INDUSTRIES INC	49
117	2	3693		BALTEAU S A	51
118	0	20XX	MCKEY FOODS SERVICE LTD		
118	1	6711		KEYSTONE FOODS CORP	50
118	2	6794		MCDONALDS CORP	50
120	0	2754	KRUEGER-RINGIER CO		
120	1	2752		KREUGER W A CO	
120	2	2711		RINGIER & CO A G	

AR_001626

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
123	0	2869	INDUSTRIA DEADITIVOS DO BRASIL		
123	1	2869		LUBRIZOL CORP	50
123	2			ROYAL DUTCH/SHELL GROUP	50
124	0		TENN-LUTTRELL LIME CO		
124	1			LUTTRELL MINING CO	50
124	2	6519		PENN VIRGINIA CORP	50
125	0	28XX	BYK-MALLINCKRODT CIL B V		
125	1	2833		MALLINCKRODT INC	50
125	2	2834		BYK-GULDEN CHEMISCHE FABRIK GMB	50
126	0		GAMES MANAGEMENT SERVICES		
126	1	7392		MATHEMATICA INC	
126	2			VERNONS ORGANIZATION OF ENGLAND	
129	0	8911	MCKEE-THEISS ENGINEERS & CONSTRUCTORS PTY		
129	1			MCKEE CORP	50
129	2			THEISS HOLDINGS LTD	50
131	0	35XX	TEIJIN-MEMOREX CO		
131	1	3573		MEMOREX CORP	20
131	2	3079		TEIJIN LTD	51
131	3			MEMOREX JAPAN LTD	29
132	0	3743	THE INTERAIL SYSTEM		

AR_001627

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
132	1			MIDLAND RESOURCES INC	60
132	2			N/A	40
135	0	34XX	N/A CONTROL VALVE & PROCESS CONTROL OPERATN		
135	1	2819		MONSANTO CO	66
135	2	3629		GENERAL ELECTRIC CO LTD	34
136	0	1311	THOMSON-MONTEITH		
136	1			MONTEITH MINERALS INC	
136	2	2731		THOMSON ORGANIZATION THE LTD	
138	0	8911	SUB SEA OFFSHORE LTD		
138	1	1311		MURPHY OIL CORP	
138	2	5172		BRITISH PETROLEUM CO LTD	
139	0	38XX	AIR-SHIELDS JAPAN CO		
139	1	3841		NARCO SCIENTIFIC INDS INC	
139	2			TOITU OPTO-ELECTRO CO	
140	0	3674	N/A TO BUILD A SEMICONDUCTOR FACILITY		
140	1	3674		NATIONAL SEMICONDUCTOR CORP	49
140	2	32XX		SAINT-GOBAIN-PONT-A-MOUSSON	51
141	0		SPAD-NATIONAL		
141	1	2891		NATIONAL STARCH & CHEM CORP	
141	2			SPAD SPA	

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TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
143	0	5082	NEWBERY ENERGY (NIGERIA) LTD		
143	1	5082		NEWBERY ENERGY CORP	50
143	2			STAR-TEX MULTIVENT ENGINEERING LTD	50
147	0	30XX	ARABIAN INSULATION CO		
147	1	3296		OWENS-CORNING FIBERGLAS CORP	
147	2			ABDUL MAJEED & ALRESHAID	
148	0		LIBBEY-ST CLAIR INC		
148	1	3221		OWENS-ILLINOIS INC	50
148	2			DOMGLAS LTD	50
149	0	2821	PACIFIC SCOTT BADER INC		
149	1	2076		P V D INTERNATIONAL INC	50
149	2	2821		SCOTT BADER CO LTD	50
150	0	28XX	INDUSTRIA CHIMICA TERMOLI		
150	1	2819		PENNWALT CORP	50
150	2			INSUD SPA	50
152	0	3592	N/A PRODUCE & SELL AUTOMOTIVE PARTS & SUPPL		
152	1	2761		SAFEGUARD INDS INC	50
152	2	1099		METALLGESELLSCHAFT A G	50
153	0	3861	SAXON EGYPT CO		
153	1	5113		SAXON INDS INC	

AR_001629

TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
153	2			EGYPTIAN INVESTORS	
154	0	4469	N/A OPERATE SEATRAINS PACIFIC STEAMSHIP SER		
154	1	4469		SEATRAIN LINES INC	74
154	2	6711		INCHCAPE & CO LTD	26
156	0	36XX	SOLARIS SPA		
156	1			SOLAREX CO	
156	2	28XX		MONTEDISON GROUP	
158	0	4961	N/A ELECTRIC GENERATING PLANT		
158	1	4911		SOUTHERN CALIF EDISON CO	
158	2	1311		UNION OIL OF CALIF	
158	3	4011		SOUTHERN PACIFIC CO	
160	0	50XX	SMITH DA SING LTD		
160	1	3533		SMITH INTL INC	60
160	2			DA SING CORP	40
161	0	7379	UNIVAC IRAN		
161	1	3572		SPERRY RAND CORP	
161	2			IRANIAN BUSINESSMEN	
164	0	2911	SINGAPORE REFINING		
164	1	1311		STANDARD OIL CO OF CAL	30
164	2	5172		BRITISH PETROLEUM CO LTD	30

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TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
164	3			SINGAPORE PETROLEUM CO	40
165	0	3999	METAL BOX STANDUN INC		
165	1	3999		STANDUN INC	
165	2			METAL BOX LTD	75
166	0		TRIMET STEEL CORP		
166	1	5093		STEELMET INC	50
166	2			TRIUMPH EUROPE HOLDING ROTTERDAM	50
167	0	7392	ENSEN-ENERGY SYSTEMS ENGINEERING		
167	1	8911		STONE & WEBSTER INC	
167	2			C T I P SPA	
168	0	36XX	ELECTRIC MACHINERY INDUSTRIAL CONTROLS CORP		
168	1	3647		STUDEBAKER-WORTHINGTON CO	49
168	2	3629		GENERAL ELECTRIC CO LTD (THE)	51
169	0	2893	SUN CHEMICAL DE CENTRO AMERICA SA		
169	1	2893		SUN CHEMICAL CORP	40
169	2	28XX		SIGMA-Q SA	60
172	0	44XX	SAUDI INTERNATIONAL PETROLEUM CARRIER LTD		
172	1	1311		TEXACO INC	49
172	2			SAUDI ARABIAN INTEREST	51

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TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
173	0	2731	MACMILLAN-NAL PUBLISHING		
173	1	2711		TIMES MIRROR CO	
173	2			MACLEAN-HUNTER LTD	
175	0		BLACK BUTTE COAL CO		
175	1	4011		UNION PACIFIC CORP	
175	2	6711		PETER KIEWIT SONS INC	
176	0	5014	UNIROYAL JAPAN LTD		
176	1	3011		UNIROYAL INC	50
176	2			OKAMOTO GOMU CO LTD	50
178	0	7394	LEASING BOLIVAR SA		
178	1	6159		U S LEASING INTL INC	20
178	2			SEGUROS BOLIVAR	80
179	0	2865	ISOPOR		
179	1	2834		UPJOHN CO	50
179	2	28XX		QUIMIGAL	50
181	0	33XX	CANWIRCO INC		
181	1	5051		UNIVERSAL WIRE & CABLE CO	
181	2	1021		NORANDA MINES LTD	
182	0	3832	FIBRONICS INTL INC		
182	1	3832		VALTEC CORP	

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TABLE 30 - LIST OF NEW JOINT VENTURES AND PARTICIPATING COMPANIES, 1978

JOINT VENTURE #	CARD #	SIC #	NEW JOINT VENTURE NAME	PARTICIPATING COMPANIES NAME	PERCENT SHARE
182	2			PEC ISRAEL ECONOMIC CORP	
183	0	36XX	NEMIC LAMBOA K K		
183	1	3662		VEECO INSTRUMENTS INC	60
183	2			NIPPON ELECTRONICS MEMORY SHRBULDRS	40
184	0	2819	R V CHEMICALS LTD		
184	1	2819		VIRGINIA CHEMICALS INC	40
184	2	1031		RIO TINTO-ZINC CORP LTD	60
185	0	7996	TOKYO DISNEYLAND		
185	1	7996		WALT DISNEY PRODUCTIONS	
185	2	65XX		ORIENTAL LAND CORP	
186	0	6153	P K-HELLER INTL		
186	1	6153		WALTER E HELLER INL CORP	50
186	2	60XX		P K BANKEN	50
187	0	79XX	WARNER/REGENCY		
187	1	7813		WARNER COMMUNICATIONS INC	
187	2			REGENCY COMMUNICATIONS LTD	
190	0	3143	INTERNATIONAL LEATHER PRODUCTS CO INC		
190	1	3143		WOLVERINE WORLD WIDE INC	50
190	2	3111		JORDAN TANNING CO	50

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Section IV

Foreign Merger Series

A. Introduction

This section contains data on foreign companies acquired by American companies -- the mergers which make up the Foreign Merger Series -- and American companies acquired by foreign firms. In addition, a list of the foreign firms acquired by American companies is provided. Since American firms acquired by foreign companies are included in the lists in Section I and/or Section II, they are not listed separately in this section.

Included in the Foreign Merger Series are acquisitions in which the acquired company is foreign or a foreign subsidiary or division of an American company, and the acquiring company is an American company or a foreign subsidiary of an American company (in the latter case, the American parent is considered the acquiring company). In addition, partial acquisitions (where less than 50.1 percent is acquired), acquisitions of all asset sizes, and acquisitions of companies not included in the Overall Merger Series (e.g., banks and transportation companies) are also included in the Series. The major source materials used in collecting data on foreign acquisitions are the same as those employed for the other series in this report, with the addition of such publications as Jane's Major Companies of Europe and Fortune's Directory of the 500 Largest Industrial Companies Outside the U.S.

B. Tables - Foreign Merger Series

The number of foreign acquisitions made by American firms, completed and pending, by industry of acquired and acquiring companies is shown in Tables 31 and 32. The preliminary number of acquisitions for 1978 is 161 (123 completed and 38 pending), a 24.8 percent increase from the 1977 figure. Over 81 percent of the 1978 foreign mergers were full or whole acquisitions, 30 (21 completed and 9 pending) were partial. Of these, manufacturing companies predominated as both acquired companies (43.5 percent) and acquiring companies (60.3 percent). Firms in chemicals (12) and nonelectrical machinery (10) were the most frequently acquired, accounting for 22 of the 57 manufacturing acquisitions (Table 31). Companies in chemicals (13), electrical machinery (12), and nonelectrical machinery (10) were important as acquiring companies in 1978, accounting for 35 foreign acquisitions (Table 32). These trends are similar to those of 1977.

As in previous years, the largest corporations in the Foreign Merger Series dominated as acquiring companies. For both

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completed and pending acquisitions (excluding partial mergers), firms with assets of $100 million and over accounted for over 56 percent of the total number (Table 33). The second most active group of acquirers were enterprises in the $10.0 to $49.9 million asset class.

Table 34 is a summary table providing figures for the number of completed foreign acquisitions, 1972-1978. The figures in this table are subject to revision each year as the series is updated.

Tables 35 through 39 extract from the 1978 Overall Merger Series acquisitions, both full and partial, of American companies acquired by foreign companies. Among the full acquisitions, 45.1 percent of the acquired companies were in manufacturing. The firms acquired most frequently were classified in chemicals, food and kindred products and nonelectrical machinery. Manufacturing companies dominated as acquiring companies, making 36.1 percent of the full acquisitions (Table 36). The most active acquiring firms were those classified in chemicals and electrical machinery.

As in previous years, acquisitions of firms in the smallest asset class (under $1.0 million and unknown) occurred most often, while the most active acquirers were firms in the largest asset class ($100.0 million and over). Nearly 64 percent of American companies acquired by foreign companies were in the under $1.0 million and unknown asset class (Table 37). The most active acquiring firms were those in the largest asset class, accounting for almost 56 percent of the total.

Table 39 provides the number of completed acquisitions of American companies by foreign companies 1973-1978. This table is subject to revision each year as the series is updated.

C. Lists - Foreign Merger Series

This part of the report provides the three lists which make up the Foreign Merger Series (i.e., acquisitions of foreign companies by American companies). Table 40 is a list of completed foreign acquisitions; Table 41 lists pending foreign acquisitions; and Table 42 is a parent-subsidiary list for the Foreign Merger Series. Tables 40 and 41 are arranged alphabetically by acquired company; Table 42 is arranged alphabetically by subsidiary company.

There follows a brief description of the items provided in the order of their appearance in Tables 40 and 41.

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Industrial classification code of the acquiring company (SIC)--The acquiring company was assigned the first three-digits of a four-digit SIC code based upon Dun and Bradstreet sources. If this was not possible, a two-digit SIC code was assigned.

Acquiring company name--This is the name of the company at the time of acquisition. If an acquisition was made through a subsidiary or division, the name of the parent company is reported as the acquiring company.

Industrial classification code of the acquired company--The acquired company was assigned a two-digit SIC code corresponding to its major business.

Independent, subsidiary, division--The number in this column designates the status of the acquired company as (1) an independent company (2) a subsidiary of another company (3) a division of another company or (4) a division of a subsidiary of another company. If the acquired entity is a subsidiary of another company or a division of a subsidiary of another company, the names of the subsidiary and its previous parent are given in the parent-subsidiary list (Table 42).

Acquired company name--This is the name of the acquired company. If a subsidiary company is acquired, the name of the subsidiary appears. If a division is acquired, the name of the parent appears followed by the name or description of the division. For example, McArthur Chemical/Perk refers to the acquisition of the Perkins Adhesives Division of McArthur Chemical Co., Ltd.

Country of acquired company--This is the country (sometimes abbreviated) in which the acquired company is located.

Extent of acquisition, whole or partial--If 50.1 percent or more of the acquired company, subsidiary or division is acquired, the number "1" appears in this column designating a whole acquisition. If the acquisition results in less than 50.1 percent ownership, the number "2" appears, designating a partial acquisition.

Date acquisition was completed--This is the date (month/-year) on which the acquisition was consummated. This appears only in Table 40.

Table 42 is the parent-subsidiary list for the Foreign Merger Series. It provides the name of the subsidiary company being acquired and its previous parent company.

AR_001637

Table 31

Number of Foreign 1/ Mergers and Acquisitions Completed and Pending, by Industry of Acquired Companies, 1978

Major Industry Group of Acquired Company 2/	Completed	Pending	Total
Total	123	38	161
Full Acquisitions 3/	102	29	131
Manufacturing	49	8	57
Food and Kindred Products	6	0	6
Tobacco Manufactures	1	1	2
Textile Mill Products	0	0	0
Apparel	0	0	0
Lumber Products, Except Furniture	0	0	0
Furniture and Fixtures	1	0	1
Paper and Allied Products	2	0	2
Printing and Publishing	2	1	3
Chemicals	10	2	12
Petroleum	0	0	0
Rubber and Plastics	2	0	2
Leather Products	0	0	0
Stone, Clay, Glass and Concrete	0	1	1
Primary Metals	0	1	1
Fabricated Metal Products	2	0	2
Nonelectrical Machinery	9	1	10
Electrical Machinery	6	0	6
Transportation Equipment	2	1	3
Instruments and Related Products	5	0	5
Miscellaneous	1	0	1
Mining	1	6	7
Trade, Wholesale and Retail	3	2	5
Services and Others 4/	23	6	29
Unknown	26	7	33
Partial Acquisitions 5/	21	9	30

1/ Acquisitions of foreign companies by American companies.
2/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.
3/ Acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies.
4/ Others include companies engaged in insurance, construction, farming, finance, credit, real estate, transportation, communication, electric, gas, sanitary services and holding companies.
5/ Acquisitions of 50.0 percent or less of other independent companies or subsidiaries or divisions of other independent companies.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001638

Table 32

Number of Foreign [1] Mergers and Acquisitions Completed and Pending, by Industry of Acquiring Companies, 1978

Major Industry Group of Acquiring Company [2]	Completed	Pending	Total
Total	123	38	161
Full Acquisitions [3]	102	29	131
Manufacturing	68	11	79
Food and Kindred Products	9	0	9
Tobacco Manufactures	1	0	1
Textile Mill Products	0	1	1
Apparel	0	1	1
Lumber Products, Except Furniture	0	0	0
Furniture and Fixtures	1	0	1
Paper and Allied Products	3	0	3
Printing and Publishing	2	1	3
Chemicals	11	2	13
Petroleum	0	0	0
Rubber and Plastics	5	0	5
Leather Products	0	0	0
Stone, Clay, Glass and Concrete	2	0	2
Primary Metals	0	1	1
Fabricated Metal Products	1	1	2
Nonelectrical Machinery	8	2	10
Electrical Machinery	10	2	12
Transportation Equipment	9	0	9
Instruments and Related Products	5	0	5
Miscellaneous	1	0	1
Mining	2	4	6
Trade, Wholesale and Retail	4	4	8
Services and Other [4]	24	8	32
Unknown	4	2	6
Partial Acquisitions [5]	21	9	30

1/ Acquisitions of foreign companies by American companies.
2/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.
3/ Acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies.
4/ Others included companies engaged in insurance, construction, farming, finance, credit, real estate, transportation, communication, electric, gas, sanitary services and holding companies.
5/ Acquisitions of 50.0 percent or less of other independent companies or subsidiaries or divisions of other independent companies.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001639

Table 33

Number of Foreign[1/] Mergers and Acquisitions Completed and Pending, by Asset Size of Acquiring Companies, 1978

Assets of Acquiring Company ($ Millions)	Completed	Pending	Total
	A. Number		
Total	102	29	131
$100.0 and over	71	19	90
$50.0 to $99.9	10	1	11
$10.0 to $49.9	11	3	14
$1.0 to $9.9	5	0	5
Under $1.0 and unknown	5	6	11
	B. Percent*		
Total	100.0	100.0	100.0
$100.0 and over	69.6	65.5	68.7
$50.0 to $99.9	9.8	3.5	8.4
$10.0 to $49.9	10.8	10.4	10.7
$1.0 to $9.9	4.9	0.0	3.8
Under $1.0 and unknown	4.9	20.7	8.4

1/ Acquisitions of foreign companies by American companies.

* Sums may not always add to totals due to rounding.

NOTE: Partial acquisitions are not included in the above table.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001640

Table 34

Number of Foreign Mergers and Acquisitions
Completed, by Year, 1972-1978

Year	Completed Acquisitions 1/
1972	361
1973	332
1974	208
1975	116
1976	84
1977	88
1978	123

1/ Figures are subject to revision. Figures include full and partial acquisitions.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001641

Table 35

Number of American Companies Acquired by Foreign Companies, 1/ Completed and Pending, by Industry of Acquired Companies, 1978

Major Industry Group of Acquired Company 2/	Completed	Pending	Total
Total	134	45	179
Full Acquisitions 3/	105	39	144
Manufacturing	55	10	65
Food and Kindred Products	7	1	8
Tobacco Manufactures	0	0	0
Textile Mill Products	1	1	2
Apparel	0	0	0
Lumber Products, Except Furniture	0	0	0
Furniture and Fixtures	0	0	0
Paper and Allied Products	1	0	1
Printing and Publishing	5	0	5
Chemicals	11	2	13
Petroleum	0	0	0
Rubber and Plastics	3	1	4
Leather Products	1	0	1
Stone, Clay, Glass and Concrete	5	0	5
Primary Metals	3	0	3
Fabricated Metal Products	3	1	4
Nonelectrical Machinery	6	2	8
Electrical Machinery	5	0	5
Transportation Equipment	1	1	2
Instruments and Related Products	1	1	2
Miscellaneous	2	0	2
Mining	3	1	4
Trade, Wholesale and Retail	9	8	17
Services and Others 4/	8	7	15
Unknown	30	13	43
Partial Acquisitions 5/	29	6	35

1/ All acquisitions appear in the Overall or Large Merger Series. Foreign acquiring companies can be identified by a slash (/) in col. 4 of SIC.
2/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.
3/ Acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies.
4/ Others include companies engaged in insurance, transportation, construction, farming, finance, credit and holding companies.
5/ Acquisitions of 50.0 percent or less of other independent companies or subsidiaries or divisions of other independent companies.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001642

Table 36

Number of American Companies Acquired by Foreign Companies, [1]
Completed and Pending, by Industry of Acquiring Companies, 1978

Major Industry Group of Acquiring Company [2]	Completed	Pending	Total
Total	134	45	179
Full Acquisitions [3]	105	39	144
Manufacturing	35	17	52
Food and Kindred Products	5	0	5
Tobacco Manufactures	0	0	0
Textile Mill Products	0	0	0
Apparel	0	0	0
Lumber Products, Except Furniture	0	0	0
Furniture and Fixtures	0	0	0
Paper and Allied Products	1	1	2
Printing and Publishing	1	1	2
Chemicals	9	6	15
Petroleum	0	1	1
Rubber and Plastics	0	0	0
Leather Products	0	0	0
Stone, Clay, Glass and Concrete	2	1	3
Primary Metals	1	1	2
Fabricated Metal Products	4	2	6
Nonelectrical Machinery	2	1	3
Electrical Machinery	3	3	6
Transportation Equipment	1	0	1
Instruments and Related Products	1	0	1
Miscellaneous	5	0	5
Mining	1	1	2
Trade, Wholesale and Retail	9	3	12
Services and Others [4]	11	6	17
Unknown	49	12	61
Partial Acquisitions [5]	29	6	35

1/ All acquisitions appear in the Overall or Large Merger Series. Foreign acquiring companies can be identified by a slash (/) in col. 4 of SIC.
2/ As defined in Standard Industrial Classification Manual, 1972, Office of Management and Budget.
3/ Acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies.
4/ Others include companies engaged in insurance, transportation, construction, farming, finance, credit and holding companies.
5/ Acquisitions of 50.0 percent or less of other independent companies or subsidiaries or divisions of other independent companies.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001643

Table 37

Number of American Companies Acquired by Foreign Companies, Completed and Pending, by Asset Size of Acquired Companies, 1978

Assets of Acquired Company ($ Millions)	Completed	Pending	Total 1/
	A. Number		
Total	105	39	144
$100.0 and over	12	1	13
$50.0 to $99.9	5	1	6
$10.0 to $49.9	19	8	27
$1.0 to $9.9	5	1	6
Under $1.0 and unknown	64	28	92
	B. Percent*		
Total	100.0	100.0	100.0
$100.0 and over	11.4	2.6	9.0
$50.0 to $99.9	4.8	2.6	4.2
$10.0 to $49.9	18.1	20.5	18.6
$1.0 to $9.9	4.8	2.6	4.2
Under $1.0 and unknown	61.0	71.8	63.9

1/ Included are acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies. The table does not include partial acquisitions. All acquisitions appear in the Overall or Large Merger Series. Foreign acquiring companies can be identified by a slash (/) in col. 4 of SIC.

* Sums may not always add to totals due to rounding.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001644

Table 38

Number of American Companies Acquired by Foreign Companies, Completed and Pending, by Asset Size of Acquiring Companies, 1978

Assets of Acquiring Company ($ Millions)	Completed	Pending	Total 1/
	A. Number		
Total	105	39	144
$100.0 and over	64	16	80
$50.0 to $99.9	2	4	6
$10.0 to $49.9	2	2	4
$1.0 to $9.9	0	0	0
Under $1.0 and unknown	37	17	54
	B. Percent*		
Total	100.0	100.0	100.0
$100.0 and over	61.0	41.0	55.6
$50.0 to $99.9	1.9	10.3	4.2
$10.0 to $49.9	1.9	5.1	2.8
$1.0 to $9.9	0.0	0.0	0.0
Under $1.0 and unknown	35.2	43.6	37.5

1/ Included are acquisitions of 50.1 percent or more of other independent companies or subsidiaries or divisions of other independent companies. The table does not include partial acquisitions. All acquisitions appear in the Overall or Large Merger Series. Foreign acquiring companies can be identified by a slash (/) in col. 4 of SIC.

* Sums may not always add to totals due to rounding.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001645

TABLE 39

Number of American Companies Acquired
by Foreign Companies, Completed,
by Year 1973-1978

Year	Completed Acquisitions 1/
1973	76
1974	87
1975	67
1976	55
1977	54
1978	105

1/ Figures are subject to revision. Figures are for full acquisitions only. All acquisitions appear in the Overall or Large Merger Series. Foreign acquiring companies can be identified by a slash (/) in col. 4 of SIC.

SOURCE: Bureau of Economics, Federal Trade Commission.

AR_001646

TABLE 40 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT	DATE OF COMPLETION
671	INA CORP	63	2	ABBEY INTL INSURANCE	BAHAMA	1	03/78
671	TENNECO INC		1	ALBRIGHT & WILSON LTD	ENG	1	09/78
633	AMER INTL GROUP		1	AMER INTL REINSUR CO	BERMUD	1	09/78
344	KEENE CORP		1	APV BOWSER FILTRATION	ENG	1	10/78
272	IMS INTL INC		1	ARGENTAN LTD	UK	1	03/78
671	GULF & WESTERN	63	2	ARROW LIFE ASSURANCE	ENG	1	04/78
671	BANK AMERICA	61	2	ASEAM CAPITAL CORP	HONGKO	1	01/78
737	ON-LINE SYS INC	73	2	ATKINS COMPUTING SER		1	/78
284	AVON PRODUCTS	28	1	AURA LABORATORIES	PHILLI	1	08/78
739	SEA CONTAINERS	44	1	AUSTIRAN LTD		2	11/78
	RAYMOND INTL INC		1	BANISTER CONTL LTD	CANADA	2	03/78
284	AVON PRODUCTS	51	1	BEAUTIFONT INC	PHILLI	1	08/78
275	DONNELLEY RR SON	27	1	BEN JOHNSON CO LTD	ENG	1	04/78
631	CRUM & FORSTER	64	1	BLADES JH CO LTD	BERMUD	1	09/78
671	GULF & WESTERN	63	2	BRITANNIA LIFE ASSOC	ENG	1	04/78
264	REXHAM CORP	26	1	BRITTAINS-RIEGEL LTD		1	01/78
364	CROUSE-HINDS CO		1	CABLE SUPPORTS LTD	ENG	1	04/78
301	GENERAL MILLS	39	2	CHAD VALLEY CO LTD	ENG	1	04/78
365	RCA CORP	36	2	CHLORIDE GRANLEY LTD	ENG	1	09/78
364	ROBROY IND INC	36	1	CO-NA-COTE	CANADA	1	11/78
531	K MART CORP	53	1	COLES GJ & COY LTD	AUSTRA	2	12/78
731	BBDO INTL INC		1	COMCORE COMMUNICATION	CANADA	2	07/78
131	GULF OIL CORP	28	2	COMMERCIAL ALCOHOLS	CANADA	1	12/78
671	EXXON CORP	10	1	COMPANIA MINERA DISPUT	CHILE	1	01/78

AR_001647

TABLE 40 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT	DATE OF COMPLETION
737	COMSHARE INC	73	2	COMSHARE INTERNAT BV	CANADA	1	12/78
384	STANDEX INTL		1	COMTELCO LTD	ENG	2	10/78
382	RANCO INC		1	CONTROLES AUTOMAT SA	SPAIN	1	07/78
301	GOODYEAR TIRE	30	1	CORFO-INSA	CHILE	1	02/78
731	FOOTE CONE BELD	73	1	CREACTION-OSBORNE	WGERM	1	08/78
358	NYTRONICS INC	50	1	CRELLON HOLDINGS LTD	ENG	2	08/78
202	BEATRICE FOODS	35	2	CULLIGAN INTL CO	CANADA	1	06/78
671	GANNET CO INC	73	1	DAILY NEWS PUBL CO	VIR IS	1	02/78
366	RAYTHEON CO	73	1	DATA LOGIC LTD	ENG	1	01/78
357	LITTON INDS INC		2	DIEHL DATA SYSTEMS	WGERM	1	04/78
201	CONSOLID FOOD CO	20	1	DOUWE EGBERTS BV	NETHER	1	01/78
208	DR PEPPER CO	20	1	DR PEPPER JAPAN LTD	JAPAN	1	02/78
395	JOSEPH DIXON CRU		1	EBERHARD FABER CO	CANADA	1	03/78
357	HONEYWELL INC	36	3	ELECTROACOUSTIC/NAUTIK	WGERM	1	05/78
671	D ARCY MAC & MAS		1	ERGON ADVERTISING	GREECE	1	12/78
365	MOTOROLA INC		1	ESE LIMITED	CANADA	1	06/78
283	RICHARDSON MERRE	28	1	ETABLISSEMENTS F VIB	FRANCE	1	12/78
739	SEA CONTAINERS	47	1	FAIRWAYS & SWINFORD	ENG	1	08/78
289	FERRO CORP	28	1	FERRO ENAMEL ESPANOLA	SPAIN	1	07/78
371	DANA CORP	35	1	FLOQUET-MONOPOLE	FRANCE	1	04/78
371	BENDIX CORP	37	1	FRAM SBC	BRAZIL	1	02/78
641	FRANK HALL CO		1	G GORDON SYMONS CO LTD	CANADA	2	01/78
371	DANA CORP	50	2	GENUINE PARTS CO SA	SWITZR	1	06/78
373	POTT INDS INC	44	1	GULF INTL MARINE	UA EM	1	06/78

AR_001648

TABLE 40 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT	DATE OF COMPLETION
739	SEA CONTAINERS	89	1	HART FENTON & CO LTD	ENG	1	08/78
364	SEALECTRO CORP	35	1	HUTCHINGS ENGINER LTD	ENG	1	01/78
	JAMAK INC	28	3	IMPERIAL CHEM/SILICONE	ENG	1	06/78
371	INTL HARVESTER	35	1	IND DE MAQUINAS AGRI	BRAZIL	2	12/78
671	HARRIS BANK CORP	62	1	INTL PACIFIC CORP	AUSTRA	2	03/78
731	FOOTE CONE BELD	73	1	JOHN RODDY ADVERT LTD	HONGKO	2	08/78
372	TEXTRON INC	27	1	JOHN SANDS HOLDINGS	AUSTRL	1	08/78
208	DR PEPPER CO	20	1	JORDANIAN SOFT DRINK	JORDAN	1	07/78
354	KENNAMETAL INC	35	1	KENNAMETAL OF CANADA	CANADA	1	01/78
671	MNFRS HANOVER	73	2	KOREA INDUSTRIAL	KOREA	2	10/78
	GL CORP	35	1	LARKHALL MACH TOOL CO	SCOTLA	1	03/78
641	FRANK HALL CO	64	1	LESLIE & GODWIN LTD	ENG	1	11/78
211	PHILIP MORRIS	21	3	LIGGETT/FORIEGN CIGS		1	06/78
301	GOODRICH BF CO	30	1	LIM-HOLDING SA	LUXEMB	2	02/78
671	CHEMICAL NY CORP	61	1	LONDON MULTINATL BANK	ENG	1	01/78
671	TENNECO INC	37	2	LYDEX AUTOMOT EXHAUST	DENMAR	1	01/78
283	SIGMA-ALDRICH		1	MAKOR CHEMICALS LTD	ISRAEL	1	/78
	MURATA CORP AMER	36	2	MALLORY TAIWAN LTD		1	11/78
204	GEN TIRE&RUBBER	30	1	MANSFIELD-DENMAN GEN	CANADA	1	07/78
209	NORIN CORP	20	1	MAPLE LEAF MILLS LTD	CANADA	1	01/78
253	HAUSERMAN INC	25	4	MASSEY-FERGUSON/SUNAR	CANADA	1	09/78
421	FUQUA INDUST INC	35	3	MASSEY/GARDEN TRACT	CANADA	1	08/78
366	ANALOG DEVICES		1	MEMORY DEVICES LTD	UK	1	06/78
131	ATLANTIC RICHFLD	12	1	MILLER RW HOLDINGS LTD	AUSTRL	2	/78

AR_001649

TABLE 40 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT	DATE OF COMPLETION
731	BBDO INTL INC		1	MORTON JERSILD AS	DENMAR	2	05/78
382	NEPTUNE INT CORP		1	MOSELEY RUBBER CO LTD	ENG	1	03/78
283	COOPER LABS INC		1	NATIONAL BRUSH CO	AUSTRL	1	04/78
371	FRUEHAUF CORP		1	NEDERLANDSCHE TANK-APP	NETHER	1	_ /78
371	EATON CORP	35	1	NITTAN VALVE CO LTD	JAPAN	2	07/78
147	INTL MINE&CHEM	28	1	NORTHWST NITRO-CHEM	CANADA	1	05/78
384	NATL PAT & DEVL	38	3	OPTIC INV/CONTACT LENS	AUSTRA	1	05/78
283	RORER GROUP INC	38	1	OSCOBAL AG	SWITZR	1	05/78
283	RORER GROUP INC	38	1	OSTEO AG	SWITZR	1	05/78
382	SUN ELECTRIC CO		1	OVERSEAS FRANCE SA	FRANCE	1	03/78
353	TEXAS INTL CO		1	PEEL LTD	ENG	1	05/78
731	GREY ADVERTISING	73	1	PEOPLE AGENCY	HONGKO	2	12/78
204	KELLOGG CO	20	2	PH FOODS LTD	ENG	1	09/78
283	FOREST LAB INC	28	2	PHARMAX LTD	ENG	1	06/78
321	LIBBEY-OWEN-FORD	34	1	PLASTEX SA		1	08/78
371	DANA CORP	35	1	POSIDATA LTD	ENG	1	12/78
289	PETROLITE CORP	28	1	QUIMICA RETZLOFF INTR	MEXICO	2	01/78
356	RANSBURG CORP	35	1	RANSBURG JAPAN LTD	JAPAN	1	03/78
384	SYBRON CORP	38	1	RECO-DENTAL REHAR & CO	WGERM	1	10/78
262	ST REGIS PAPER	67	1	REED & SMITH HOLDINGS	ENG	1	03/78
204	KELLOGG CO	20	4	REESE/FROZEN FOOD	ENG	1	09/78
301	BANDAG INC		1	REIFEN SCHELKMAN GMBH	WGERM	1	06/78
671	RYDER SYSTEMS	75	1	RYDER EUROPE BV	NETHER	1	09/78
284	CLOROX CO	28	1	SA CASAMITJANA MENSA	SPAIN	1	06/78

AR_001650

TABLE 40 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT	DATE OF COMPLETION
352	ALLIS-CHALMERS		2	SALA INTERNATIONAL	SWEDEN	1	01/78
361	KATY IND INC	35	1	SCHON & CIE GMBH	WGERM	1	07/78
355	PAXALL INC		2	SCHUBERT & CO	DENMAR	1	08/78
501	CONSOLID INTL	47	2	SCHULMAN AIR FRIEGHT	PHILLI	1	10/78
501	CONSOLID INTL	47	2	SCHULMAN AIR FRIEGHT	HONGKO	1	10/78
28X	BRENT CHEM CORP	28	2	SCHWARZ SERV INTL	CANADA	1	12/78
508	EALING CORP		1	SCIENTIF RESEARCH INST	ENG	1	11/78
614	BENEFICIAL CORP	60	1	SECURITY TRUST	ENG	1	05/78
321	LIBBEY-OWEN-FORD	34	1	SOCIETE RAVITT	FRANCE	1	08/78
631	CRUM & FORSTER	64	1	ST JOHNS INSURANCE CO	BERMUD	1	09/78
202	DEAN FOODS CO		1	ST THOMAS DAIRIES INC	VIR IS	1	09/78
361	SQUARE D CO	36	1	STARKSTROM GUMMERSBACH	WGERM	1	02/78
367	FAIRCHILD CAMERA	36	1	TDK-FAIRCHILD CORP	JAPAN	1	/78
671	DEN-TAL-EZ INC	38	1	TECHNODENT INDS LTD	CANADA	1	12/78
357	MEMOREX CORP		3	TELEX/EURO MRKT SUBS	EUROPE	1	01/78
731	FOOTE CONE BELD	73	1	TEMPO ADVERT AGENCY	BRAZIL	2	12/78
371	DANA CORP		2	TI INTERLOCK	ENG	2	11/78
263	SONOCO PRODUCTS	26	1	TPT LTD	ENG	1	01/78
501	CONSOLID INTL	47	2	TRANSPAC AIR CARGO SER	HONGKO	1	10/78
371	DANA CORP		1	TURNER MFG CO	ENG	1	08/78
301	BANDAG INC	50	1	VAKUUM VULK AB	SWEDEN	1	05/78
301	BANDAG INC		1	VAKUUM VULK HOLDINGS	BAHAMA	1	06/78
671	ESMARK INC	28	2	WALLCO	SWEDEN	1	12/78
679	WEIGHT WATCHERS	72	1	WEIGHT CONTROLLERS	BELG	1	05/78

AR_001651

TABLE 40 - LIST OF MERGERS AND ACQUISITIONS COMPLETED, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***					
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT	DATE OF COMPLETION
371	DANA CORP		2	WICHITA CO LTD	ENG	2	11/78
731	DOYLE DANE BERN	73	1	WIGGERT DE VRIES FRAN	NETHER	2	01/78
331	ALLEGHENY LUDLUM		1	WILKINSON MATCH LTD	ENG	2	02/78

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TABLE 41 - LIST OF MERGERS AND ACQUISITIONS PENDING, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT
283	MERCK & CO INC	28	1	ALGINATE INDUSTRIES	ENG	1
515	STND COM TOBBACO	21	1	ANDREW CHALMERS INTL	ENG	1
731	BBDO INTL INC	73	1	ARA	NETHER	2
615	WALTER HELLER	73	1	BCN LEASING	BRAZIL	2
367	VARIAN ASSOC INC		1	BENSON SA	FRANCE	2
739	KEYSTONE CAMERA	73	2	BERKEY KEYSTONE CAN	CANADA	1
641	ALEX&ALEX SERV	64	1	BLAND PAYNE HOLDINGS	ENG	1
106	AMAX INC	10	1	CANADA TUNGSTEN MIN	CANADA	1
671	EXXON CORP	13	2	COLMAR SURINAM OIL CO	SURINA	1
671	FIRST BOSTON INC		2	CREDIT SUISSE WHITWELD	ENG	2
349	IU INTERNATIONAL	42	2	DELTA LINES GEN HAULAG	CANADA	1
228	DUPONT DE NEMOUR	13	1	DISCOVERY MINERALS LTD	CANADA	1
671	CENTURION EQUT	33	2	DOEHLER CANADA LTD CO	CANADA	1
106	AMAX INC	10	1	DUBLIN GULCH MINING	CANADA	1
492	HOUSTON NAT GAS	49	1	DUNN WELDING SUPPLIES	CANADA	1
011	CARGILL INC	02	1	EASTWOOD JB LTD	ENG	1
352	ALLIS-CHALMERS		1	ELLIOTT RUBBER&PLAS	CANADA	1
671	GULF & WESTERN	50	1	ESCO TRADING CO LTD	JAPAN	1
508	NEWBERY ENERGY		1	FABCO MACHINE LTD	CANADA	1
671	EXXON CORP	29	2	GENERAL SEKIYU KK	JAPAN	2
504	MEGO INTL INC		1	GRAND TOYS LTD	CANADA	1
632	CONTINENTAL CORP	64	1	HARRIS DIXON INS BROK	ENG	2
138	SUNDANCE OIL		1	KINTYPE ENTERPRISES	HONGKO	2
276	EIMICKE V W	27	1	LAB FORMS LTD	CANADA	1

AR_001653

TABLE 41 - LIST OF MERGERS AND ACQUISITIONS PENDING, FOREIGN MERGER SERIES, 1978

ACQUIRING COMPANY		***ACQUIRED COMPANY***				
SIC#	NAME	SIC#	INDEP. SUB. DIV.	NAME	COUNTRY	WH-PT
239	COLEMAN CO INC	37	1	LASER INT HOLDINGS LTD	CANADA	1
285	WYANDOTTE PAINT	28	1	LEE R E PAINT CO	CANADA	1
365	BOSE CORP		1	LES FAB GILLE DROLET	CANADA	1
	PRUDENTIAL GRP		1	MONTEGO FREEPORT LTD	JAMAIC	1
333	KAISER ALUM&CHEM	32	3	NEWBOLD/REFRACT DIV	AUSTRL	1
357	DATA GENERAL	35	1	NIPPON MINI-COMPUTER	JAPAN	2
366	LEAR SIEGLER INC		1	PEERLESS PAGE INDS	CANADA	1
357	HONEYWELL INC	35	1	R2E	FRANCE	1
131	ATLANTIC RICHFLD	12	1	S & M FOX PTY	AUSTRL	1
641	ALEX&ALEX SERV	64	1	SEDGWICK FORBES HOLD	ENG	1
581	ARA SERV INC	59	3	SERV ALIM MAISON/FOOD	CANADA	1
	CARLSON CO INC		1	SPECIAL INTER TOUR LTD	CANADA	1
358	BORG-WARNER CORP		1	VAN DOORNES TRANS BV	NETHER	2
102	CYPRUS MINES	10	2	VANGORDA MINES LTD	CANADA	1

AR_001654

TABLE 42 - PARENT-SUBSIDIARY LIST FOR FOREIGN MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
ABBEY INTERNATIONAL INSURANCE CO LTD	I T & T CORP US
ARROW LIFE ASSURANCE CO	BRITANNIA ARROW HOLDINGS LTD
ASEAM CAPITAL CORP	ASIAN & EURO-AMERICAN MERCHANT BANK
ATKINS COMPUTING SERVICES LTD	ATKINS W S GROUP LTD
BERKEY KEYSTONE OF CANADA LTD	BERKEY PHOTO INC U S
BRITANNIA LIFE ASSOCIATION OF GUERNSEY	BRITANNIA ARROW HOLDINGS LTD
CHAD VALLEY CO LTD	BRITISH NORTHROP
CHLORIDE GRANLEY LTD	CHLORIDE GROUP LTD
COLMAR SURINAM OIL CO LTD	LANDMARK LAND CO INC
COMMERCIAL ALCOHOLS LTD	CANADIAN INTERNATIONAL PAPER CO
COMSHARE INTERNATIONAL B V	COMSHARE LTD-TORONTO
CREDIT SUISSE WHITEWELD	CREDIT SUISSE
CULLIGAN OF CANADA LTD	CULLIGAN INTERNATIONAL CO
DELTA LINES GENERAL HAULAGE CO	DELTA CALIFORNIA INDS U S
DIEHL DATA SYSTEMS	DIEHL GROUP
DOEHLER CANADA LTD CO	NL INDS INC
GENERAL SEKIYU K K	MITSUI & CO LTD
GENUINE PARTS CO S A	GENUINE PARTS CO
KOREA INDUSTRIAL LEASING CO LTD	KOREA DEVELOPMENT BANK
LYDEX AUTOMOTIVE EXHAUST SYSTEMS	KOSAN CYLINDRIC PRODUCTION
MALLORY TAIWAN LTD	MALLORY P R & CO INC
MASSEY-FERGUSON INDS LTD	MASSEY-FERGUSON LIMITED
P H FOODS LTD	REICHHOLD LTD
PHARMAX LTD	LRC INTERNATIONAL LTD
REESE S & SONS	REICHHOLD LTD
SALA INTERNATIONAL	BOLIDEN A B

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TABLE 42 - PARENT-SUBSIDIARY LIST FOR FOREIGN MERGER SERIES, 1978

SUBSIDIARY COMPANY	***PARENT COMPANY***
SCHUBERT & CO A/S	SEARLE G D
SCHWARZ SERVICES INTERNATIONAL LTD	JOHN LABATT LTD
SHULMAN AIR FREIGHT INTL HONG KONG	SHULMAN TRANSPORT ENTERPRISES INC
SHULMAN AIR FREIGHT INTL PHILLIPINES	SHULMAN TRANSPORT ENTERPRISES INC
TI INTERLOCK LTD	TUBE INVESTMENTS LTD
TRANSPAC AIR CARGO COLLECTION SERVICE	SHULMAN TRANSPORT ENTERPRISES INC
VANGORDA MINES LTD	KERR ADDISON MINES LTD
WALLCO	ASTRA A B
WICHITA CO LTD	TUBE INVESTMENTS LTD

*U S GOVERNMENT PRINTING OFFICE: 1980 629-592/2963

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1994 WL 642386 (F.T.C.)

Federal Trade Commission (F.T.C.)
(Remarks)

PREPARED REMARKS[a1] OF MARY LOU STEPTOE

April 7, 1994

***1** Mary Lou SteptoeActing DirectorBureau of Competition

Before The American Bar Association

Section of Antitrust Law

Spring Meeting

I. INTRODUCTION

As antitrust practitioners, we know that the exchange of information among companies happens frequently and in many forms. To borrow a line from Judge Posner, "Information is thus a two-edged sword: it is necessary if the competitive process is to work properly, but it can also facilitate collusion."[1] Drawing the line between information exchanged and used to strengthen our competitive system and information exchanged and used to an anticompetitive end is oftentimes difficult.

At other times I have spoken in general about information exchange and facilitating practices, those activities that tend to promote interdependent behavior among competitors by reducing their uncertainty as to each other's future actions, or by diminishing their incentives to deviate from coordinated strategy.[2] In describing facilitating conduct, I have identified certain types of market structures and conditions that make collusion, or, at least, the dilution of competition more likely and successful. Today, I would like to focus on a certain time period when the exchange of information may make collusion or anticompetitive behavior more likely and successful. Specifically, I will address preconsummation coordinated behavior and exchange of information by parties to a proposed merger during the pendency of their merger agreement.

The potential for violating Section 5 of the FTC Act or Section 7A of the Clayton Act during this critical pre-consummation time period is heightened because the merging parties already are actively engaged in information exchanges as part of the merger negotiations and the required due diligence preceding the acquisition. Additionally, if the acquisition involves competitors, certain information about the other party may be of significant competitive value--whether or not the transaction is consummated. The Bureau will keep a vigilant eye on the pre-consummation activities of merging parties in order to ensure free, unfettered competition for every industry at all times, including during planned acquisitions.

Although my thinking and the thinking of those within the Bureau of Competition continue to evolve as our experience in this area grows, I would like to give you some insight as to how the Bureau currently approaches the issues that confront us in this area. There are two categories of conduct during the pendency of a merger agreement that may raise antitrust concerns: first, pre-consummation collusion that occurs when the parties "jump the gun" and the acquiring company begins to direct the actions of the target firm; and, second, transfers of information between the merging parties. My remarks will focus on each of these types of conduct separately; and for both areas, I will discuss the relevant legal authority and some of the recent Commission experiences. Also, I will share with you some practical tips that I hope will assist you in determining the appropriate advice to give to your merger clients so that you may minimize their exposure to Section 5 and Section 7A liability as well as potential investigation by the Commission. All of my remarks, of course, represent solely my own views and are not necessarily those of the Commission or any individual Commissioner.

II. PREMERGER COORDINATION

***2** Let us start with the area of premerger coordination. It is here that the rules seem clearest, not only as a matter of theory,

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but also because the prosecutorial authorities have several times taken action against this sort of conduct.

When merging companies "jump the gun" and prematurely coordinate their activities, they are subject to antitrust exposure under two different theories: first, a collusive agreement that violates Section 5 of the Federal Trade Commission Act, 15 U.S.C. 45, or Section 1 of the Sherman Act, 15 U.S.C. 1 (1988); second, a transfer of beneficial ownership that violates Section 7A of the Clayton Act, 15 U.S.C. 18a ("Section 7A" or "Hart-Scott-Rodino Act" or "HSR Act"). A threshold question under both theories is whether the two parties are separate entities.

A. Competition or Copperweld?

The Bureau of Competition's position is that, between the time two competitors agree to merge and when they consummate their transaction, they are separate economic actors who are bound by the competition laws. Certainly any information exchanges or coordination of business activity after consummation of the merger is immune from Section 1 scrutiny; however, the Copperweld[3] intra-corporate conspiracy defense does not apply during the period between contract and closing.

One circuit court has taken a different view. In International Travel Arrangers,[4] the Eighth Circuit upheld a district court jury instruction that the merging parties were incapable of a Sherman Act conspiracy if the jury decided that the merging parties "lacked independent economic consciousness after they had decided to merge and before the merger was completed."[5] The Eighth Circuit explicitly rejected the view "that only the formal consummation of a merger precludes the application of section 1 of the Sherman Act to an alleged conspiracy between the merging companies."[6]

The Eighth Circuit's holding is, at a minimum, contrary to Section 7A of the Clayton Act, which has the purpose of keeping merging businesses separate pending completion of federal antitrust review. Travel Arrangers is also inconsistent with the Commission's Torrington case, which I will discuss later. Therefore, while the Eighth Circuit's extension of Copperweld immunity to merging parties is troubling, it is not dispositive at the FTC. I am confident that the Bureau staff and I would reject a Travel Arrangers argument, and we would do our best to persuade the Commission to hold that at all times prior to consummation merging companies will be held fully accountable to the requirements of the antitrust laws.

B. Collusive Agreements

If there is an agreement to coordinate preconsummation activities, that agreement is likely to be viewed as a per se violation of Section 1, or a violation of Section 5 which will be summarily condemned, under the Commission's analysis in its 1988 Massachusetts Board of Registration in Optometry ("Mass. Board") decision.[7]

***3** In Mass. Board the Commission set forth a three-step analytical process for horizontal restraint. First, one asks if the conduct in question is inherently suspect--that is, likely to raise price, reduce output or inhibit a significant aspect of competition; clearly, an agreement by competitors to allocate customers or fix prices falls into this category. If the conduct is inherently suspect, one next asks if there is a plausible efficiency justification for it; if not it can be summarily condemned. Our position in the Bureau would be: even if the coordination would be efficient post-consummation, that justification is inapplicable until the parties are legally joined.

At the FTC, we have had one consent and several non-public investigations of potential pre-merger price fixing and customer allocations, evaluated under the per se rule[8]. In The Torrington Company,[9] the Commission accepted a consent order settling charges that the Torrington Company and Universal Bearings allocated a customer while the Commission was still reviewing the proposed merger of the two companies during the HSR Act's waiting period. The parties abandoned the proposed merger after the Commission voted to challenge it; but investigation into the customer allocation continued as a separate matter. In this matter, the president of Universal, the company to be acquired, knew from officials of Torrington, the acquiring company, that Torrington planned to consolidate Universal's production of axle shafts in a Torrington plant after consummation of the merger. Consequently, and before the merger was consummated, Universal told an axle shaft customer that it should purchase the product from Torrington; on one occasion, Universal even refused to quote a price to a customer that persisted in attempting to do business. Universal's president believed that if the customer acquired axle shafts from Torrington, it would "speed up" the consolidation of the two companies and "keep the business in the family." The consent provides that the respondents, in connection with any proposed acquisition involving needle rollers, the product at issue, cease and desist from directing, implementing, or otherwise providing for any consolidation of the business or assets of the

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person to be acquired and the acquiring person prior to the consummation of the proposed acquisition.

In another matter Bureau staff learned of a premerger meeting of the two competitors' marketing staffs. The meeting was unconnected with any due diligence inquiry, and after a Second Request had issued. We investigated whether a price-fixing agreement had been reached, and whether there had been any exchange of information that led to anticompetitive effects. The investigation found no evidence of an agreement on pricing or any other coordination. However, it should be noted that these discussions alone were sufficient to warrant a full investigation of the circumstances.

There have been several other matters where we have investigated whether the buyer was directing the seller's business before the merger became final. Enforcement action was not recommended either because the parties were not, in fact, coordinating or, in one instance, because such coordination was planned, but was called off after we raised our objections to counsel.

***4** The Bureau has not had reason to investigate agreements concerning key elements of competition other than allocating customers or pricing. If such circumstances did arise, Mass. Board would probably still permit summary condemnation. For example, if the acquiring firm ordered the target to stop constructing a new facility or to eliminate a marketing program and the target agreed to do so, we would view the agreement as inherently suspect because it eliminates competition between the two companies. While the outcome may be efficient, the efficiency is achieved only post-consummation. We would take the position that the efficiency justification is inapplicable while the two entities are separate, just as efficiency justifications are inapplicable to other forms of unlawful collaboration, such as price-fixing. As a practical matter, however, most targets are unlikely to be willing to alter their business plans so dramatically, recognizing that the transaction may be challenged or otherwise abandoned.

C. Transfer of Beneficial Ownership--Section 7A of the Clayton Act

At the Federal Trade Commission we closely scrutinize pre-consummation behavior by merging parties to see if indicia of beneficial ownership are transferred such that the transaction is consummated for purposes of the Hart-Scott-Rodino Act. The Hart-Scott-Rodino Act requires the parties to file a pre-merger notification and report form and to allow the expiration of the applicable waiting period before consummation.[10] The reason for this, as the Commission has stated, is to "provide[ ] certain tools to facilitate a prompt, thorough investigation, and assure[ ] an opportunity to seek a preliminary injunction before the parties are legally free to complete the transaction, which eliminates the problem of unscrambling the assets after the transaction has taken place."[11]

One best-known case in this area is Atlantic Richfield,[12] where the Commission settled charges that Atlantic Richfield and Union Carbide Corporation violated Section 7A of the Hart-Scott-Rodino Act by transferring beneficial ownership of certain Union Carbide assets to Atlantic Richfield before antitrust review was completed. The relevant facts demonstrating that there was a premature transfer of beneficial ownership were: 1) Atlantic Richfield paid the full, non-refundable $220 million purchase price the day of the merger agreement; 2) Union Carbide agreed with Atlantic Richfield how to operate the assets during the HSR Act's waiting period; and 3) Atlantic Richfield took the risk for certain possible losses and the benefits of potential gains associated with the business occurring during the waiting period. Atlantic Richfield and Union Carbide each agreed to pay $1 million as civil penalties under Section 7A.

Similarly, in United States v. Atlantic Richfield Company and U.F. Genetics, Inc.,[13] the complaint alleged that during the HSR waiting period, the parties effectively shifted beneficial ownership of ARCO's ARCO Seed subsidiary to Sunseeds Genetics by irrevocably granting the permanent right to vote all of the ARCO Seed shares to Sunseeds. The parties settled the case and civil penalty judgments were entered against both ARCO, for $290,000, and Sunseeds, for $150,000.

***5** There have been other Section 7A cases which turn on the definition of beneficial ownership,[14] which time does not permit me to describe. The important point is to note that some acts of premerger coordination which may give rise to Sherman Act or 5 liability may also amount to a Section 7A violation. My emphasis here is to alert you to the possibility that premerger coordination may reach such a level as to result in the transfer of beneficial ownership under 7A. I strongly encourage you to make use of the FTC's Premerger Office when faced with a question about proper and timely premerger notification reports.

III. PREMERGER INFORMATION EXCHANGES

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I think one reason why practitioners have been so interested in the topic of premerger information exchanges is because it is a field wide open to speculation--there have been no cases brought, as yet. Guidance must come by analogy and theory.

A time-honored starting point is the Supreme Court. The Court, without focusing on the premerger time period, has nevertheless confirmed our basic premise that information exchanges can be used by firms as a facilitating practice--to give rivals comfort in maintaining higher prices, keeping output in close check, or otherwise not acting like competitors in a vigorously competitive market. In Container Corp.,[15] the court points us to a number of factors that bear on the likelihood of such an outcome, such as the significance of market concentration and the market power of the participants in the exchange, inelastic demand, and the fungibility of the participants' products. Gypsum[16] confirms that these factors do not make information exchange a per se violation, indicating that a rule of reason analysis is appropriate and that "[t]he structure of the industry involved and the nature of the information exchange are generally considered in divining the competitive or anticompetitive effects of this type of interseller communication."[17] In general, then, the Bureau is more concerned with information exchanges when the markets in which they occur are prone to collusive behavior. The nature of the information exchanged will also shed light on the likely effect of the exchange.[18]

The Commission, following the rule of reason analytical road of Gypsum, has recognized the harm that may result from information exchanges in a variety of cases, including the merger context (albeit not focusing on premerger information exchanges). For example, in General Electric Company,[19] the Commission found reason to believe that General Electric's acquisition of Calma Company violated the Clayton Act and the FTC Act. Calma was a producer of computer aided design/computer aided manufacturing systems ("CAD/CAM") and GE had a significant ownership interest in a competiting producer, Applicon, Inc. To settle the charges, General Electric divested all of its holdings in Applicon. In order to prevent information held by General Electric from affecting competition in the CAD/CAM market, the Commission required General Electric to return to Applicon documents obtained as a result of its interest in Applicon and to destroy any GE documents referring to proprietary Applicon information. Further, General Electric's employees who had served as Applicon directors were required to remain isolated from Calma, and other General Electric employees were prohibited from making use of knowledge gained from access to Applicon's confidential information.

***6** Just two weeks ago, the Commission again acted to prevent anticompetitive information exchanges attendant to a merger.[20] In this matter, Martin Marietta proposed to acquire the Atlas space launch vehicle business of General Dynamics Corp. Martin Marietta is also a manufacturer of satellites that are launched on these Atlas class vehicles. Because satellite manufacturers must provide a great deal of information to launch vehicle suppliers in order to successfully launch their satellites, the proposed acquisition would have placed Martin Marietta's newly acquired launch vehicle division in a position to gain access to competitively sensitive, non-public information relating to other satellite manufacturers. The Commission was concerned that, if Martin Marietta were to share this information with its own satellite business, competition between satellite manufacturers and advancements in satellite research, innovation and quality would be adversely affected. While permitting the acquisition to proceed, the Commission remedied the potential anticompetitive effects by prohibiting Martin Marietta's launch division from disclosing to its satellite division any non-public information received from competing satellite manufacturers.

As has been noted before,[21] there are a variety of circumstances under which premerger information exchanges can raise competitive concerns. At the extreme end of the spectrum are sham merger negotiations. I hasten to add that, while this possibility makes a logical analytical starting point, to date it remains a hypothetical issue at the Bureau and Commission. If firms entered into sham merger negotiations in order to exchange commercial information or otherwise coordinate their activities, per se treatment would likely be warranted.[22] Similarly, if only one company enters into negotiations in good faith, while the other does so to obtain information for predatory purposes, the latter's conduct could be illegal under a predation or attempt to monopolize theory,[23] if market shares and indicia of intent were sufficient to meet the standards of Sherman Act Section 2. If the technical requirements of Section 2 were lacking, however, such clearly anticompetitive conduct could be condemned under Section 5.[24]

The Bureau has not conducted any investigations involving a sham transaction undertaken so that the two parties would be able to fix prices or otherwise collude, perhaps because the complexity of such a fraudulent scheme may make it quite rare. However, the Bureau has investigated one instance where it was alleged that one firm was trying to gain confidential information through engaging in sham merger negotiations. That matter was closed after staff concluded that the negotiations

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had in fact been held in good faith.

All of the pre-consummation information exchanges that the Bureau has investigated have arisen in the context of a legitimate merger proposal. There are significant business justifications for transferring information from seller to buyer prior to the consummation of a merger, including evaluating the seller's business in order to determine a purchase price and planning the efficient integration of the firms after consummation. Because the provision of information between the time of a merger agreement and the consummation of the merger may well be procompetitive, we will evaluate it under the rule of reason. It is worth noting that we have spent significant effort lately in refining our analysis of conduct such as information exchanges, facilitating practices and invitations to collude, all of which might inform our review of a premerger information exchange.

***7** You may well conclude from this negative case history that premerger information exchange is a problem more hypothetical than real at the Commission. I would be wary of complacency however, and caution you against confusing lack of public enforcement with lack of will to act. I think the lack of cases to date is accounted for by three factors. First, the vigilance of antitrust counsel in monitoring the progress of merger negotiations. Second, the fact that information exchanges can occur in many ways that are not easily detected. Third, many of these situations require a rule of reason analysis, where a variety of factors--including efficiency justifications for the conduct--may lead us not to bring a case.

IV. PRACTICAL ADVICE

My predecessor, Kevin Arquit gave seven rules to govern premerger consolidations.[25] They remain good guidance still. However, in view of the conceptual line I have drawn today between actual coordination and provision of information, perhaps the precepts can be reduced to two, or maybe two and a half.

1. Coordination. Don't do it. An agreement to coordinate preconsummation competitive activities is likely to be summarily condemned, either as per se illegal activity or an agreement not to compete than has no cognizable efficiency justification. Even if the merger parties are not competitors the strictures of Section 7A may apply. It's safest to wait and plan.

2. Information Transfers. The rule of reason guides our review of information transfers during bona fide merger negotiations. Due diligence is a compelling efficiency justification, but don't rely on it too far: rule of reason does not equate to per se legality. Due diligence offers the greatest protection to information transfers from seller to buyer for the purposes of valuing the proposed transaction. Do not transfer information that is not reasonably necessary for due diligence,[26] and if the merger is likely to present antitrust issues, shield or aggregate competitively sensitive information that is needed for due diligence. Once the transaction price is determined the amount and type of information justified by due diligence may decline.

Even as the due diligence efficiency lessens, another efficiency grows: planning for a post-consummation world. However, this justification will seldom seem as compelling as due diligence, and certainly not when the planning is of a type which can be done just as well post-consummation. Nevertheless, the further merger negotiations progress and the more likely it appears that the merger will be consummated, the more information it is safe to disclose. Even so, keep in mind what can happen to the "best laid schemes," and satisfy yourself that the provided information has been so limited as to protect your company from either its erstwhile suitor or the antitrust authorities in a blocked-merger, returned-to-competition world. And be sure they understand point one.

2 1/2. It may be stating the obvious, but consider the context. What you want to say, when you want to say it, and to whom you say it are critical factors. The safest situation is a one time, one-way provision of valuation information by a seller to a non-competitor buyer. The most dangerous situation is the opposite: ongoing, reciprocal information exchanges going to the heart of competition between merging firms who both operate in a highly concentrated, barricaded industry. There is an enormous grey area between the two extremes, of course, which is why antitrust counsel should be consulted early. If there is even a possibility that the government will review the underlying transaction for Section 7 concerns, then consider yourself nearer the danger end of the spectrum and think carefully about the need for the data, its competition-distorting potential, and the way in which it is provided.

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Footnotes

[a1] The views expressed are those of the Acting Director and do not necessarily reflect those of the Federal Trade Commission or the individual Commissioners.

[1] Posner, Richard, Antitrust Law, An Economic Perspective, at 136 (1976).

[2] See Steptoe, "The Impact of Section 5 of the FTC Act on Communications Among Competitors", Remarks before the American Bar Association Section of Antitrust Law Advanced Antitrust CLE Institute, October 15, 1993; Steptoe, "Enforcement of Section 5 of the FTC Act: Venturing--Carefully--Beyond the Sherman Act", Remarks before the American Bar Association Section of Antitrust Law, August 9, 1993.

[3] Copperweld Corp. v. Independence Tube Corp., 467 U.S. 752 (1984).

[4] International Travel Arrangers v. NWA, Inc., 991 F.2d 1389, (8th Cir.1993), cert. denied, --- U.S. ----, 114 S.Ct. 345, 62 U.S.L.W. 3288 (U.S.1993).

[5] 991 F.2d at 1397 (jury instruction 28).

[6] 991 F.2d at 1398.

[7] 110 F.T.C. 549 (1988)

[8] The Bureau will refer evidence of a hard-core price-fixing agreement to the Department of Justice for criminal investigation.

[9] In The Torrington Company and Universal Bearings, Inc., Docket No. C-3330 (Consent Order, May 10, 1991), Trade Reg.Rep. (CCH) Transfer Binder, Complaints and Orders, 1987-1993 at 22,942.

[10] 15 U.S.C. 18a. For HSR Act purposes, an acquisition occurs when a person obtains beneficial ownership of assets or voting securities. Generally, a person becomes the beneficial owner when it receives the benefits and risks of ownership. See The Statement of Basis and Purpose explaining 801.1(c) of the HSR Act Rules for a discussion of the concept of beneficial ownership. 43 Fed.Reg. 33458-60 (July 31, 1978).

[11] The Commission has generally included this statement in Federal Register notices that amend the regulations that

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implement the HSR Act. See, e.g., 52 Fed.Reg. 20059 (1987).

12 United States v. Atlantic Richfield Co. et al., 1991-1 Trade Cas. (CCH) 69,318 (D.D.C.1992).

13 United States v. Atlantic Richfield Company and U.F. Genetics, Inc., 1992-1 Trade Cas. (CCH) 69,803 and 69,695 (D.D.C.1992)

14 United States v. First City Financial Corp., Ltd., 1988-1 Trade Cas (CCH) 67,967 (D.D.C.1988) (settling charges for failure to report for a $400,000 civil penalty); United States v. Trump 1988-1 Trade Cas. (CCH) 67,968 (D.D.C.1988) (settling similar charges for $750,000); United States v. Wickes Cos., 1988-1 Trade Cas. (CCH) 67,966 (D.D.C.1988) (settling similar charges for $300,000).

15 United States v. Container Corp. of America, 393 U.S. 333 (1969).

16 United States v. U.S. Gypsum Co., 438 U.S. 422 (1978).

17 Id. at 441 n. 16.

18 See Steptoe, Deputy Director, Bureau of Competition, Federal Trade Commission, Remarks before National Health Lawyers Association, (February 14, 1991).

19 In the Matter of General Electric Company, 99 F.T.C. 422 (1982).

20 In the Matter of Martin Marietta, File No. 941-0038 (Initial Acceptance of Consent Agreement, March 24, 1994), (Commissioner Owen, dissenting).

21 Steptoe, Remarks before the National Health Lawyers Association, February 14, 1991, at 2-3, 9-10; Steptoe, Remarks before The ABA Antitrust Section, Clayton Act Committee, March 22, 1990, at 9-13; Arquit, Remarks before the ABA Antitrust Section, Federal Trade Commission Subcommittee, April 7, 1989, at 8-13.

23 The Commission might also take the more cautious approach of analyzing such an agreement under its truncated rule of reason approach as enunciated in Mass. Board. However, since sham negotiations are inherently suspect and by definition have no efficiency justification, Mass. Board would mandate a very truncated review indeed, and the analysis and conclusion would be quite similar to a per se approach.

23 Cf. In the Matter of Amerco, 109 F.T.C. 135 (1987) (Consent order accepted where sham acquisition proposals were

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made for the predatory purpose of delaying a competitor's attempt to reorganize under the bankruptcy laws).

[24] In E.I. duPont de Nemours & Co. v. FTC, 729 F.2d 128 (2d Cir.1984), the Second Circuit stated that, in certain circumstances, unilateral action could be challenged under Section 5 if there were either evidence of anticompetitive intent or purpose or the absence of an independent legitimate business reason for the conduct. 729 F.2d at 139. A purpose to extract competitively significant information from an unsuspecting competitor through sham merger negotiations seems likely to be considered anticompetitive and unlikely to constitute a legitimate business purpose.

[25] Kevin J. Arquit, General Counsel, Federal Trade Commission, Remarks before the ABA Antitrust Section, Federal Trade Commission Subcommittee, at 8-13 (April 7, 1989).

[26] For example, current price information and customer lists may not be needed for due diligence, in which case it should not be transferred. Cost information often is necessary, but may be able to be presented in a manner that renders it less competitively significant.

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FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Statement of Peter W. Rodino, Jr. on the 25th Anniversary of Hart-Scott-Rodino

Chairman Muris, Commissioners and Guests, I am honored by your invitation to join you to commemorate the 25th Anniversary of Hart-Scott-Rodino. I wish I could be with you in person, but at the tender age of 92, I have allowed myself the small luxury to stop making the Newark-Washington trip that was so much a part of my life when I served as the "People's Representative." That was then a good part of my life -- almost 1/5 the lifetime of our Republic. Of course, I am proud to have played a role in the enactment of this important anti-trust provision. In my years away from Congress, people generally associate me with two events - Watergate, of course. But also, much to my surprise, Hart-Scott-Rodino, especially during my post-Congress law practice when other practitioners of anti-trust would say: "Oh, you're that Rodino!" This just goes to show what a difference the legislation has made in the enforcement of the merger laws. Together, we stopped "midnight mergers." I'm sure I don't have to tell the FTC about the harm that some of these mergers could cause - the harm could be irreparable. The government spent years in litigation fighting just one merger. But even when it won, competition was often impossible to restore. The merged company already had closed plants, cut jobs and scrambled assets. Consumers ended up the losers, left paying higher prices. That had to be corrected.

Hart-Scott-Rodino was intended to give the anti-trust agencies two things: critical information about a proposed merger and time to analyze that information and prepare a case, if necessary. From what I hear, the legislation absolutely has transformed merger enforcement. competition, as well as the consumer, has benefitted.

As those of you involved in its enactment know, the legislation enjoyed broad support. It was also many years in the making. President Eisenhower urged its adoption in the 1950s. Attorney General Robert Kennedy backed it in the 1960s. And in the 1970s, we finally got it through with the support of

President Ford, Attorney General Edward Levi, Assistant Attorney General Tom Kauper and two chairmen of the Federal Trade Commission - Lewis Engman and Paul Rand Dixon.

Of course, though memory dims somewhat over the passage of time, it does not blur the picture of, nor lessen the impact on me, of my predecessor, Chairman of the House Judiciary Committee, my mentor, Manny Celler; nor does it blur the significant role of my then counterpart, Ted Kennedy, chairman of the Senate Judiciary Committee. Nor can I forget the effectiveness of the bipartisan contribution of Hugh Scott during our deliberations. But the picture which stands out so memorably is that of Phil Hart, whose strength of character and effective but quiet leadership commanded the respect of the Conference and carried the day. Senator Hart would be proud of the way this legislation has changed merger enforcement.

I congratulate you on this 25th Anniversary.

Peter W. Rodino, Jr.

Prepared Statement of the Federal Trade Commission

Before the

Committee on the Judiciary
Subcommittee on Antitrust, Competition, and Business and Consumer Rights
United States Senate

Concerning

An Overview of Federal Trade Commission Antitrust Activities

September 19, 2002

Mr. Chairman and Members of the Subcommittee, I am pleased to appear before you to present testimony of the Federal Trade Commission discussing an overview of our antitrust enforcement activities.[(1)]

The actions and initiatives I will discuss today are the product of, and a testament to, a professional, highly-qualified, and dedicated staff. Their work has made the FTC the well-respected agency that it is today.

I.

Introduction

By enforcing the antitrust laws, the Federal Trade Commission helps ensure that markets operate freely and efficiently. Aggressive competition promotes lower prices, higher quality, and greater innovation. The work of the FTC is critical in protecting and strengthening free and open markets in the United States.

The FTC's record is impressive. The agency has fulfilled its mission of protecting American consumers by pursuing an aggressive law enforcement program during rapid changes in the marketplace - the past decade saw the largest merger wave in history, the rapid growth of technology, and the increasing globalization of the economy. Through the efforts of a dedicated and professional staff, the FTC has shouldered an increasing workload despite only modest increases in resources.

The guiding word at the Commission is "continuity." The agency continues aggressively to pursue law enforcement initiatives, launch consumer and business education campaigns, and organize forums to study and understand the changing marketplace, just as we have done for several years. Our competition mission continues to reflect the following widely-shared consensus: (1) the purpose of antitrust is to protect consumers; (2) the mainstays of antitrust enforcement are horizontal cases - cases involving the business relations and activities of competitors; (3) in light of recent judicial decisions and economic learning, appropriate monopolization and vertical cases are an important part of the antitrust agenda; and (4) case selection should be guided by sound economic and legal analysis, and made with careful attention to the facts.

The FTC is primarily a law enforcement agency, and we will continue aggressive enforcement of the antitrust laws within the agency's jurisdiction. The Commission also has a broader role as a deliberative body and independent expert on issues affecting the market. Thus, the Commission is

well-suited to studying an evolving marketplace and developing antitrust policy. In this role, we continue to hold public hearings, conduct studies, and issue reports to Congress and the public.

Our activities of the past year illustrate how this broad role promotes competition. The Commission's testimony today will highlight three main goals and achievements: (1) building on the agency's recent history of aggressive law enforcement; (2) focusing on industries and issues significant to consumers, such as energy, health care, and matters derived from the new economy, including intellectual property rights; and (3) continuing to use the FTC's special role as an expert agency to advance the state of knowledge about particular issues central to our mission. In accomplishing these goals, there is a high degree of unity among the five Commissioners. In fact, there is near unanimity in voting patterns, particularly with respect to votes concerning law enforcement matters. The near unanimity of voting patterns reflects both a broad consensus among the Commissioners about the types of cases the Commission should pursue, and the careful and deliberate process by which the Commissioners consider matters, consulting with the staff to address the issues and concerns of individual Commissioners.

II.

An Overview of The FTC's Antitrust Enforcement Activities

A. Anticompetitive Mergers. Merger enforcement continues to be a staple of the Commission's enforcement agenda. Stopping mergers that substantially may lessen competition ensures that consumers pay lower prices and have greater choice in their selections of goods and services than they otherwise would. The level of merger activity in the marketplace, along with other factors, affects the FTC's merger workload. During the 1990s, record-setting levels of mergers, both in numbers and in size, required extraordinary efforts by the FTC staff to manage the necessary reviews within statutory time requirements. Recent economic conditions have reduced merger activity, and amendments to the Hart-Scott-Rodino Act[(2)] have cut the number of proposed mergers reported to the government. Even so, Commission merger enforcement remains a significant challenge for the following reasons:

- **The size, scope, and complexity of mergers have increased.** The number of mergers still remains relatively high by historic standards, and mergers also continue to grow in size, scope, and complexity. The dollar value of last year's reported mergers was about 82 percent higher, in nominal terms, than the 1995 total, even without any adjustment for the different filing thresholds. In fact, the $1 trillion total in 2001 exceeded the average annual total dollar value of reported transactions during the booming 1991-2000 decade. The size of mergers affects the FTC's workload because mergers among large diversified firms are likely to involve more products than mergers among smaller firms, and thus generally involve more markets requiring antitrust investigation. In addition, larger firms are more likely to be significant players in the markets in which they compete, which increases the need for antitrust review. Finally, as new technologies continue to grow and as the economy becomes more knowledge-based, the resulting complexity of many mergers requires more extensive inquiry.

- **Large numbers of mergers still require scrutiny.** The number of proposed mergers raising competitive concerns remains significant. Despite fewer reported transactions, the Commission's level of enforcement activity remains at a high level. Through the first eight months of this year, for example, we opened over 100 merger investigations and issued 24 requests for additional information under the HSR Act ("Second Requests"), numbers only slightly below those during the peak merger wave years 1996 through 2000. Thus far in FY 2002, the Commission has taken enforcement action in 23 mergers. Thus, despite a reduction in the number of HSR reported transactions, our merger enforcement workload remains high because the workload derives mostly from the number of transactions raising

antitrust concerns, not from the overall number of filings.

- **Non-reportable mergers now require greater attention.** Although fewer proposed mergers remain subject to the reporting requirements of the HSR Act, the standard of legality under Section 7 of the Clayton Act remains unchanged.[3]

  Consequently, we need to identify (through means such as the trade press and other news articles, consumer and competitor complaints, hearings, and economic studies) those unreported, usually consummated, mergers that could harm consumers. So far this fiscal year, the Commission has challenged two non-reportable mergers.[4]

  In August, the Commission announced a settlement regarding these two mergers.[5]

- **Resource-intensive litigation is more frequently needed.** While the Commission resolves most merger challenges through settlement, it is sometimes necessary to litigate, particularly when the merger at issue already has been consummated. Merger litigation requires enormous resources. At the height of preparation, a single merger case requires the full-time attention of numerous staff members - not only lawyers, but also economists, paralegals, and support staff. To counter arguments and evidence presented by merging parties, these cases also require analysis and testimony by outside experts with specialized knowledge, which can be extremely costly. Since the fiscal year began, the Commission has filed two administrative actions,[6] and has authorized federal court challenges to five proposed mergers involving products including rum,[7] food service glassware,[8] pigskin and beef hide gelatin,[9] telescopes,[10] and cervical cancer screening products.[11]

B. Streamlining Merger Review. The FTC has been working with the Antitrust Division of the U.S. Department of Justice (DOJ) to establish procedures to make the HSR merger review process more efficient and transparent. The FTC has focused on several areas, including:

- **Electronic Premerger Filing.** As part of an overall movement to make government more accessible electronically, the FTC, working with the DOJ, will accelerate its efforts in FY 2003 to develop an electronic system for filing HSR premerger notifications. E-filing will reduce filing burdens for businesses and government and create a valuable database of information on merger transactions to inform future policy deliberations.

- **Burden Reduction in Investigations.** The agencies have taken steps to reduce the burden on merging parties in document productions responsive to Second Requests. In response to legislation amending the HSR Act, the Commission amended its rules of practice to incorporate new procedures. The amended rules require Bureau of Competition staff to schedule conferences to discuss the scope of a Second Request with the parties and also establish a procedure for the General Counsel to review the request and promptly resolve any remaining issues. Measures adopted include a process for seeking modifications or clarifications of Second Requests, and expedited senior-level internal review of disagreements between merging parties and agency staff; streamlined internal procedures to eliminate unnecessary burdens and undue delays; and implementation of a systematic management status check on the progress of negotiations on Second Request modifications.

- **Merger Investigation Best Practices.** The FTC is conducting a series of national public workshops regarding modifications and improvements to the merger investigation process. The FTC will solicit input from a broad range of interest groups, including corporate personnel, outside and in-house attorneys, economists, and consumer groups, on topics such as using more voluntary information submissions before issuance of a Second Request, reducing the scope and content of the Second Request, negotiating modifications to the Second Request, and focusing on special issues concerning electronic records and

accounting or financial data.[12]

- **Merger Remedies.** Other "best practices" workshops will solicit comments on merger remedies. Among the issues to be addressed are structuring asset packages for divestitures, timing of divestitures (*i.e.*, up-front or after consummation), evaluating the competitive adequacy of proposed buyers, and assessing the preservation of competition after divestitures.[13]

C. Non-merger Enforcement. There is broad consensus that non-merger enforcement policy should focus primarily on horizontal agreements between or among competitors. While merger activity remains relatively high, a decline from the unprecedented levels of recent years has allowed us to restore resources to non-merger enforcement, consistent with historical allocations between merger and non-merger programs. In fiscal year 2001, the FTC opened 56 non-merger investigations, more than double the number begun in the previous fiscal year. We have opened an additional 51 investigations during this fiscal year. The Commission presently has three non-merger matters in Part III litigation,[14] and has obtained consent orders stopping anticompetitive practices in an additional 10 matters, most involving health care.[15]

D. Focus in the Areas of Energy, Health Care and Intellectual Property. Because of their great importance to consumers, the Commission gives special attention to the energy and health care industries, as well as antitrust issues related to intellectual property rights.

1. *Energy.* Energy is vital to the entire economy and represents a significant portion of total U.S. economic output. The FTC has focused considerable resources on energy issues, including conducting in-depth studies of evolving energy markets and investigating numerous oil company mergers.

- **Oil Merger Investigations**. In recent years, the FTC has investigated numerous oil mergers. Last year, the agency reviewed four large oil mergers and analyzed competitive effects in a host of individual product/geographic market combinations. When necessary, the agency has insisted on remedial divestitures to cure potential harm to competition. In Chevron/Texaco, the Commission accepted a consent agreement that allowed the proposed $45 billion merger to proceed but required substantial divestitures to cure the possible anticompetitive aspects of the transaction in 10 separate relevant product markets and 15 sections of the country comprised of dozens of smaller relevant geographic markets.[16]

  In Valero/Ultramar, the Commission obtained a settlement requiring Valero to divest a refinery, bulk gasoline supply contracts, and 70 retail service stations to preserve competition.[17]

  In Phillips/Conoco, the Commission has accepted for public comment a proposed consent order that will, if made final, require the merged company to divest two refineries and related marketing assets, terminal facilities for light petroleum and propane products, and certain natural gas gathering assets.[18]

  In Phillips/Tosco, applying the same standards, the Commission concluded that the transaction likely did not pose a threat to competition and voted unanimously to close the investigation.[19]

- **Study of Refined Petroleum Prices.** Building on its enforcement experience in the petroleum industry, the FTC is studying the causes of the recent volatility in refined petroleum product prices. During an initial public conference held in August 2001, participants identified key factors, including increased dependency on foreign crude sources, changes in industry business practices, restructuring of the industry through mergers and joint ventures, and new

governmental regulations. This information assisted the agency in setting the agenda for a second public conference in May 2002. The information gathered through these public conferences will form the basis for a report to be issued later this year.

- **Gasoline Price Monitoring.** The FTC also recently announced a project to monitor wholesale and retail prices of gasoline. FTC staff will inspect wholesale gasoline prices for 20 U.S. cities and retail gasoline prices for 360 cities. Anomalies in the data will prompt further inquiries and likely will alert the agency to the possibility of anticompetitive conduct in certain parts of the country. It also will increase our understanding of the factors affecting gasoline prices.

2. *Anticompetitive Health Care Practices.* During the past year, the FTC has placed renewed emphasis on stopping collusion and other anticompetitive practices that raise health care costs and decrease quality.

- **Antitrust Investigations Involving Pharmaceutical Companies.** The growing cost of prescription drugs is a significant concern for patients, employers, and government. Drug expenditures doubled between 1995 and 2000.[(20)]

  In response, the FTC dramatically has increased its attention to pharmaceutical-related matters in both merger and non-merger investigations. The agency now focuses one-quarter of all competition mission resources on this industry. We also have opened increasingly more pharmaceutical-related investigations. In 1996, less than 5 percent of new competition investigations involved pharmaceuticals, while in 2001, the percentage of new investigations involving pharmaceutical products was almost 25 percent.

- **Mergers Affecting the Pharmaceutical Industry.** Last year, the Commission took action to restore competition in the market for integrated drug information databases in a novel case involving violations of both Sections 7 and 7A of the Clayton Act. This case marked the first time the Commission sought disgorgement of profits as a remedy in a merger case. The case resulted from the 1998 acquisition by Hearst Corporation of the Medi-Span integrated drug information database business. Pharmacies, hospitals, doctors, and third-party payors rely on such databases for information about drug prices, drug effects, drug interactions, and eligibility for reimbursement under various payment plans. At the time of the acquisition, Hearst already owned First DataBank, Medi-Span's only competitor. The Commission alleged that the acquisition created a monopoly in the sale of integrated drug information databases, causing prices to increase substantially to all database customers.[(21)]

  We negotiated a settlement requiring Hearst to divest the Medi-Span database and to disgorge $19 million in illegal profits, which will be distributed to injured consumers.[(22)]

- **Pharmaceutical Firms' Efforts to Thwart Competition from Generic Drugs.** In its non-merger enforcement cases, the FTC has focused on efforts by branded drug manufacturers to slow or stop competition from lower-cost generic drugs. While patent protection for newly developed drugs sometimes limits the role of competition in this industry, competition from generic equivalents of drugs with expired patents is highly significant. The Congressional Budget Office reports that consumers saved $8 to 10 billion in 1994 alone by buying generic versions of branded pharmaceuticals.[(23)]

  The first generic competitor typically enters the market at a significantly lower price than its branded counterpart, and gains substantial share from the branded product. Subsequent generic entrants typically bring prices down even further.[(24)]

  Anticompetitive "gaming" of certain provisions of the Hatch-Waxman Act[(25)] to forestall

generic entry has been a major focus of Commission enforcement actions. FTC Hatch-Waxman abuse cases have fallen into three categories:

(a) Agreements Not to Compete. The first category involves agreements between manufacturers of brand-name drugs and manufacturers of generics in which the generic firm allegedly is paid not to compete. The Commission has settled three such cases, including a recent settlement with American Home Products (AHP). That settlement resolved charges that AHP entered into an agreement with Schering-Plough Corporation to delay introduction of a generic potassium chloride supplement in exchange for millions of dollars. An AHP generic would have competed with Schering's branded K-Dur 20, used to treat low potassium conditions, which can lead to cardiac problems.[(26)]

(b) Fraudulent "Orange Book" Listings. The second category deals with unilateral conduct by branded manufacturers to delay generic entry. Pursuant to the Hatch-Waxman Act, a branded drug manufacturer must list any patent claiming its branded drug in the FDA's "Orange Book." Companies seeking FDA approval to market a generic equivalent of that drug before patent expiration must provide notice to the branded manufacturer, which then has an opportunity to file a patent infringement action. The filing of such an action within the statutory time frame triggers an automatic 30-month stay of FDA approval of the generic drug. Certain branded manufacturers have attempted to "game" this regulatory structure by listing patents in the Orange Book improperly. Such a strategy permits the company to abuse the Hatch-Waxman's stay provision to block generic competition without advancing any of the Act's procompetitive objectives. This spring, the Commission filed an action against Biovail Corporation (Biovail) alleging that it had illegally acquired a license to a patent and engaged in an anticompetitive patent listing strategy with respect to its high blood pressure drug, Tiazac. The matter was resolved through a consent order, which requires Biovail to: (1) transfer certain rights in the acquired patent back to their original owner; (2) terminate its infringement suit against the generic competitor, thereby ending the 30-month stay; (3) refrain from any action that would trigger another 30-month stay; (4) refrain from future improper Orange Book listing practices; and (5) provide the FTC with prior notice of future acquisitions of any patents it intends to list in the Orange Book.[(27)]

In January, the FTC also filed an *amicus* brief in pivotal private litigation involving allegations of fraudulent Orange Book listing practices.[(28)]

In re Buspirone - which is the subject of continuing litigation - involves allegations that Bristol-Myers Squibb Co. (BMS) violated the antitrust laws by fraudulently listing a patent on its branded drug, BuSpar, in the FDA's Orange Book, thereby foreclosing generic competition. BMS argued that the conduct in question was covered by the *Noerr-Pennington* doctrine - a legal rule providing antitrust immunity for conduct that constitutes "petitioning" of a governmental authority. In its *amicus* brief opposing *Noerr* immunity, the Commission argued that submitting patent information for listing in the Orange Book did not constitute "petitioning" the FDA and that, even if it did, various exceptions to *Noerr* immunity applied. The district court subsequently issued an order denying *Noerr* immunity and adopting much of the Commission's reasoning.[(29)]

The Court's ruling does not mean that all improper Orange Book filings will give rise to antitrust liability. An antitrust plaintiff still must prove an underlying antitrust claim. The *Buspirone* decision merely establishes that Orange Book filings are not automatically immune from antitrust scrutiny.

(c) Agreements Between Generic Manufacturers. The third category of cases involves agreements among manufacturers of generic drugs. In our recent complaint against Biovail and Elan Corporation, plc (Elan), the Commission alleged that the companies violated the FTC Act by entering into an agreement that provided substantial incentives not to compete in the market for the 30 mg and 60 mg dosage forms of generic Adalat CC. Biovail and Elan are the only companies with FDA approval to manufacture and sell 30 mg and 60 mg generic Adalat products. In October 1999, Biovail and Elan entered into an agreement involving both companies' generic Adalat products. Under their agreement, in exchange for specified payments, Elan would appoint Biovail as the exclusive

distributor of Elan's 30 mg and 60 mg generic Adalat products and allow Biovail to profit from the sale of both products. Our complaint alleged that the companies' agreement substantially reduced their incentives to introduce competing 30 mg and 60 mg generic Adalat products. The proposed order, which has a ten-year term, remedies the companies' alleged anticompetitive conduct by requiring them to terminate the agreement and barring them from engaging in similar conduct in the future.[(30)]

- **Antitrust Investigations Involving Health Care Providers.** So far this year, the agency has reached settlements with five groups of physicians for allegedly engaging in collusive practices that drove up consumers' costs. In August, the Commission announced settlements with a Dallas-Fort Worth-area physicians group and Denver-area physician practice groups and their agent.[(31)]

  The Commission alleged that the Dallas-Fort Worth group of more than 1,200 physicians entered into agreements to fix fees and to refuse to deal with health plans except on collectively agreed-upon terms. The Commission alleged that the Denver-area physician groups (comprised of more that 80 physicians) used their agent to enter into similar agreements to fix fees and to refuse to deal with payors except on collectively agreed-upon terms. These settlements were patterned after settlements that the Commission announced in May with two other Denver-area physician organizations.[(32)]

  Earlier this year, the Commission also settled charges that a group of Napa County, California, obstetricians and gynecologists agreed to fix fees and other terms of dealing with health plans and refused to deal with health plans except on collectively determined terms. To resolve the matter, the physicians agreed to refrain from engaging in similar conduct in the future, and to dissolve the organization through which they conducted their allegedly anticompetitive activity.[(33)]

  The Commission's proposed and final orders put a stop to further anticompetitive collusive conduct that harms employers, individual patients, and health plans by depriving them of the benefits of competition in the purchase of physician services.

- **Generic Drug Study.** In July, the Commission released an industry-wide study focused on certain aspects of generic drug competition under the Hatch-Waxman Amendments.[(34)]

  The study examined whether the Commission's enforcement actions against alleged anticompetitive agreements, which relied on certain Hatch-Waxman provisions, were isolated examples or representative of conduct frequently undertaken by pharmaceutical companies. The study also examined more broadly how the process that Hatch-Waxman established to permit generic entry prior to expiration of a brand-name drug product's patents has worked between 1992 and 2000.[(35)]

- **Workshop on Health Care and Competition Law and Policy.** On September 9 and 10, 2002, the Commission held a public workshop focusing on the impact of competition law and policy on the cost, quality, and availability of health care, and the incentives for innovation in the field. Given the significance of health care spending in the United States, it is important that competition law and policy support and encourage efficient delivery of health care products and services. Competition law and policy also should encourage innovation in the form of new and improved drugs, treatments, and delivery options. Developing and implementing competition policy for health care raises complex and sensitive issues. The goal of this workshop was to promote dialogue, learning, and consensus building among all interested parties (including, but not limited to, the business, consumer, government, legal, provider, insurer, and health policy/health services/health economics communities).

3. ***Matters Involving the High-Tech Industry and Intellectual Property Rights.*** The continuing

development of "high-tech" industries and the significance of intellectual property rights influence our antitrust agenda. The U.S. economy is more knowledge-based than ever. While the fundamental principles of antitrust do not differ when applied to high-tech industries, or other industries in which patents or other intellectual property are highly significant, the issues are often more complex, take more time to resolve, and require different kinds of expertise. To address these needs, we now have patent lawyers on staff, and we sometimes hire technical consultants in areas such as electrical engineering or pharmacology.

- Standards Setting. As technology advances, there will be increased efforts to establish industry standards for the development and manufacture of new products. While the adoption of standards is often procompetitive, the standards setting *process*, which involves competitors' meeting to set product specifications, can be an area for antitrust concern. In a complaint filed in June, the Commission has charged that Rambus, Inc., a participant in an electronics industry standards-setting organization, failed to disclose - in violation of the organization's rules - that it had a patent and several pending patent applications on technologies that eventually were adopted as part of the industry standard.[(36)]

  The standard at issue involved a common form of computer memory used in a wide variety of popular consumer electronic products, such as personal computers, fax machines, video games, and personal digital assistants. The Commission's complaint alleges that once the standard was adopted, Rambus was in a position to reap millions in royalty fees each year, and potentially more than a billion dollars over the life of the patents, all of which would be passed on to consumers through increased prices for the downstream products.[(37)]

  Because standard-setting abuses can harm robust and efficiency-enhancing competition in high tech markets, the Commission will continue to pursue investigations in this important area.[(38)]

- **Intellectual Property Hearings**. In February 2002, the FTC and the DOJ commenced a series of hearings on *Competition and Intellectual Property Law and Policy in the Knowledge-Based Economy*.[(39)]

  The hearings respond to the growth of the knowledge-based economy, the increasing role in antitrust policy of dynamic, innovation-based considerations, and the importance of managing the intersection of intellectual property and competition law to realize their common goal of promoting innovation. During the hearings, business persons, consumer advocates, inventors, practitioners, and academics have focused on:

  - what economic learning reveals, and does not reveal, regarding the relationships between intellectual property and innovation, and between competition and innovation;
  - "real-world" experiences with patents and competition;
  - procedures and substantive criteria involved in prosecuting and litigating patent claims;
  - issues raised by patent pools and cross-licensing and by certain standard-setting practices;
  - the implications of unilateral refusals to deal, patent settlements, and licensing practices;

- international comparative law perspectives regarding the competition/intellectual property interface; and,

- jurisprudential issues, including the role of the Federal Circuit.

The hearings will conclude in October. A public report that incorporates the results of the hearings, as well as other research, will be prepared after the hearings.

III.

Antitrust Exemptions

A. Antitrust Exemptions

As a general matter, immunity from the antitrust laws is exceptional and disfavored.[(40)]

That is because our nation's economy is based on the premise that competition is the best guarantor of the optimal mix of goods and services in terms of price, quality, and consumer choice. The antitrust laws, therefore, are a fundamental part of our economic system. The Supreme Court has repeated many times that the antitrust laws are "the Magna Carta of free enterprise."[(41)]

Accordingly, there are few industries or competitive situations in which the antitrust laws do not apply. In fact, there has been a trend to deregulate industries and remove antitrust immunities rather than to create more of them.[(42)]

Proponents of antitrust immunity frequently claim that firms engaged in a particular industry or activity need to collaborate on matters that have special value or importance to our economy, national security, or other societal interests. They assert that compliance with the antitrust laws will be overly burdensome for the industry, or that the fear of antitrust liability will have a chilling effect on the activity for which they seek immunity. They also frequently claim that an exemption would only sanction conduct that would not violate the antitrust laws anyway, and that an exemption would serve simply to clarify the law and reassure everyone involved in the activity. They therefore assert that the situation warrants special treatment.

We do not believe these reasons provide a sound basis for an antitrust exemption. Antitrust analysis today is highly capable of distinguishing between conduct that is unreasonable and harmful to consumers, and that which has a legitimate justification. Antitrust law, therefore, can accommodate whatever legitimate interests competitors have in collaborating with each other. Further, there are many sources of guidance that would enable firms to avoid antitrust concerns. They can look to the many case precedents on collaborative conduct, interpretive Guidelines, and antitrust counsel. Firms also can minimize uncertainty by obtaining advisory opinions from the FTC and the DOJ before engaging in the conduct for which they seek reassurance. With the assistance of antitrust counsel, companies can make well-informed judgments about whether a proposed activity will present antitrust risks. Therefore, antitrust exemptions generally are not necessary.

Moreover, unnecessary exemptions have significant potential to be harmful. First, an antitrust exemption for conduct that does not violate the antitrust laws inevitably will lead to demands for more antitrust exemptions in other, similar situations. That will gradually erode the fundamental principle that the antitrust laws constitute one of the central pillars of a competitive market economy. Second, an antitrust exemption for conduct that does not violate the antitrust laws may create an erroneous perception that such conduct actually may raise serious competitive concerns; the exemption can create confusion or uncertainty as to whether that kind of conduct is likely to violate the antitrust laws. Third, antitrust immunities that are unnecessary, imprecise, or excessively broad may enable firms to

engage in collusive arrangements detrimental to consumers. An exemption can provide a pretextual reason for parties inappropriately to discuss and collaborate on non-exempt matters.[43]

Such conduct is difficult to detect and prosecute, and can hinder, rather than facilitate, the important economic and security contributions that it was hoped the particular industry would make. Therefore, we believe that, in general, selective antitrust exemptions are unwise, as well as unnecessary.[44]

B. Examination of State Action and Noerr-Pennington Case Law

Certain conduct that otherwise would violate the antitrust laws is exempt from antitrust challenge. For example, the state action doctrine - first articulated in *Parker v. Brown*[45]

- provides immunity for the regulatory conduct of state governments. Likewise, the *Noerr-Pennington* doctrine - first articulated in *Eastern R.R. Presidents Conf. v. Noerr Motor Freight*[46] and *United Mine Workers of America v. Pennington*[47]

- provides immunity for private parties' efforts to "petition" the government. Understanding the proper scope of these exemptions - consistent with, but not broader than, their underlying policy rationales - has important consequences for consumers. Antitrust enforcers should identify and prevent anticompetitive conduct that may resemble, but does not constitute, protected activity. When the governing standard is unclear, however, enforcement (and deterrence) can be problematic. Thus, for example, the American Bar Association Antitrust Section's 2001 report on antitrust policy recommended a reexamination of the scope of the state action exemption.[48]

It is sound antitrust policy to seek to limit the state action and Noerr antitrust immunities to situations that fulfill their underlying purposes. When properly applied, both of those immunities serve important Constitutional interests. State action immunity is grounded in principles of federalism and is intended to prevent antitrust enforcement from interfering with legitimate state regulatory activities. Noerr immunity, on the other hand, is grounded in First Amendment principles and is intended to protect a citizen's right to petition the government for the redress of grievances.

New Task Forces at the FTC are examining both the state action and Noerr-Pennington exemptions. Both Task Forces are considering a variety of actions, including antitrust enforcement, amicus briefs, and competition advocacy.

- State Action Task Force. The State Action Task Force is conducting a careful analysis of existing case law on the scope of state action immunity. The Task Force has observed that some courts have applied the doctrine overly broadly, thereby immunizing the anticompetitive conduct of parties acting in their own interest, rather than the interest of "the state itself." An overly broad application can be especially problematic when the party purportedly acting pursuant to a delegation of state authority is a private market participant with strong incentives to restrain trade. The Task Force currently is working to clarify the state action doctrine to address such problems by, for example, advocating for more rigorous enforcement of Midcal's "clear articulation" and "active supervision" requirements, as well as express recognition of the market participant exception.

- Noerr-Pennington Task Force. The Noerr-Pennington Task Force is conducting a similar analysis of existing case law regarding Noerr-Pennington immunity. As in the state action context, the Task Force has observed that some courts have applied the doctrine overly broadly. In some instances, parties have been granted immunity in spite of the fact that the anticompetitive conduct at issue had no "petitioning" component whatsoever. In other instances courts have immunized abusive tactics, such as repetitive lawsuits and misrepresentations, that clearly were intended to delay a competitor's entry or raise its costs,

rather than to legitimately petition the government. The Task Force currently is working to clarify the Noerr doctrine to address such problems by, for example, advocating for express recognition of an independent misrepresentation exception and application of the Walker Process exception outside the patent prosecution context. Notably, the Task Force played an active role in preparation of the Commission's amicus brief in In re Buspirone, discussed above.

IV.

B2Bs and FTC E-Commerce Initiatives

A. B2B Marketplaces

Business-to-business electronic marketplaces, which use the Internet to connect businesses to each other, represent an important forum for commercial activity. In June 2000, the FTC hosted a public workshop on "Competition Policy in the World of B2B Electronic Marketplaces."[(49)]

In October 2000, FTC staff released a report based on its learning from that workshop.[(50)]

A second workshop was held in May 2001 to further explore these issues.[(51)]

In general, the Commission views positively the development of B2Bs because of their potential to generate significant efficiencies for our economy, winning for customers lower prices, improved quality and greater innovation. At the same time, we are aware of B2Bs' potential to inflict competitive harm. By their nature, B2Bs either bring together competitors in a collaborative environment, or constitute vertical collaborations between suppliers and purchasers in an industry or market. These arrangements may facilitate anticompetitive conduct, either in the markets for the goods and services traded on B2Bs (or derived from those traded on B2Bs), or in the market for marketplaces themselves. Despite B2Bs' innovative nature and their potential to revolutionize certain markets, however, the anticompetitive concerns they raise are not new; indeed, B2Bs are amenable to traditional antitrust analysis. The analysis of any B2B is highly particularized, depending heavily on such things as the B2B's operating rules, composition, exclusivity, and interoperability with other B2Bs. To date, the Commission has not formally taken enforcement action against any B2Bs since it closed its investigation of Covisint[(52)]

in September 2000, but we stand ready to take such action if an appropriate case arises.

B. FTC E-Commerce Initiatives

- **Internet Task Force.** In August 2001, an Internet Task Force began to evaluate regulations and potentially anticompetitive business practices that could impede e-commerce. The Task Force grew out of the already-formed State Action Task Force, which had been analyzing the competitive effects of state regulations generally, and out of the FTC's longstanding interest in the competition aspects of e-commerce. Over the past year, the Task Force has met with numerous industry participants and observers, including e-retailers, trade associations, and leading scholars, and reviewed relevant literature. The Task Force discovered that many states have enacted regulations that have the effect of protecting existing bricks-and-mortar businesses from new Internet competitors. The Task Force also received reports of private companies curtailing e-commerce by employing potentially anticompetitive tactics, such as by collectively pressuring suppliers or dealers to limit sales over the Internet. To date, three advocacy filings have resulted in large part from the Task Force's efforts: (1) a joint FTC/DOJ comment before the North Carolina state bar expressing concerns about the impact on consumers of ethics opinions requiring that an attorney be physically present for all real estate closings and refinancings; (2) a joint FTC/DOJ comment before the Rhode Island

legislature on similar requirements in a real estate bill; and (3) a staff comment before the Connecticut Board of Opticians, which is considering additional restrictions on out-of-state and Internet contact lens sellers.[(53)]

- **Internet Competition Workshop**. In October, the Commission will hold a public workshop on possible efforts to restrict competition on the Internet. The workshop will include panel discussions to address certain specific industries that are important to consumers and that have experienced some growth in commerce via the Internet, but where competition may have been hampered by state regulations or potentially anticompetitive business practices. For example, the workshop will include panels on some or all of the following industries: retailing, automobiles, cyber-charter schools, real estate, health care, wine sales, auctions, contact lenses, and caskets. The Internet Task Force expects that the workshop will (1) enhance the Commission's understanding of these issues, (2) help educate policymakers about the effects of overly restrictive state regulations, and (3) help educate private entities about the types of business practices that may or may not be viewed as problematic.

V.

International Activities: New Initiatives, Enforcement and Assistance

Because competition increasingly takes place in a worldwide market, cooperation with competition agencies in the world's major economies is a key component of our enforcement program. Given differences in laws, cultures, and priorities, it is unlikely that there will be complete convergence of antitrust policy in the foreseeable future. Areas of agreement far exceed those of divergence, however, and instances in which our differences will result in conflicting results are likely to remain rare. The agency has increased its cooperation with agencies around the world, both on individual cases and on policy issues, and is committed to addressing and minimizing policy divergences.

- **ICN and ICPAC**. Last fall, the FTC, the DOJ, and twelve other antitrust agencies from around the world launched the International Competition Network (ICN). The ICN is an outgrowth of a recommendation of the International Competition Policy Advisory Committee (ICPAC) that competition officials from developed and developing countries convene a forum in which to work together on competition issues raised by economic globalization and the proliferation of antitrust regimes. ICN provides a venue for antitrust officials worldwide to work toward consensus on proposals for procedural and substantive convergence on best practices in antitrust enforcement and policy. Sixty-one jurisdictions already have joined the ICN, and we are working on initial projects on mergers and competition advocacy.

- **Free Trade Agreement of the Americas**. The FTC is working with the nations of our hemisphere to develop competition provisions for a Free Trade Agreement of the Americas.

- **OECD**. The FTC is participating in the continuing work of the OECD on, among other things, merger process convergence, implementation of the OECD recommendation on hard-core cartels (e.g., price-fixing agreements), and regulatory reform.

- **Technical Assistance**. For the past ten years, the FTC has assisted developing nations that have made the commitment to market and commercial law reforms. With funding principally from the U.S. Agency for International Development, and in partnership with the DOJ, about thirty nations have received technical assistance with development of their competition and consumer protection laws. Currently, the technical assistance program is active in South and Central America, South Africa, and Southeastern Europe. The program emphasizes the development of investigative skills, and relies on a combination of resident advisors, regional workshops, and targeted short-term missions. These activities have enabled a large number of career staff to share their expertise, although great care is taken to avoid any intrusions on time and planning for domestic enforcement projects. Future plans are focused on expanding

this reimbursable program to the former Soviet Union and to Asia.

VI.

Concluding Remarks

Mr. Chairman and Members of the Subcommittee, we appreciate this opportunity to provide an overview of the Commission's efforts to maintain a competitive marketplace for American businesses and consumers. We believe that the Commission's antitrust enforcement has demonstrable benefits for consumers and the American economy - benefits that far outweigh the resources allocated to maintaining our competition mission. We would be pleased to respond to any questions you may have.

Endnotes

1. The written statement represents the views of the Federal Trade Commission. My oral presentation and responses are my own and do not necessarily reflect the views of the Commission or of any other Commissioner.

2. 15 U.S.C § 18a, as amended, Pub. L. No 106-553, 114 Stat. 2762 (2000).

3. See 15 U.S.C. § 18a, as amended, Pub. L. No. 106-553, 114 Stat. 2762 (2000).

4. MSC Software Corp., Docket No. 9299 (Oct. 10, 2001) (complaint issued) (alleging that two MSC acquisitions violated Clayton Act).

5. MSC Software Corp., Docket No. 9299 (August 14, 2002) (proposed consent order accepted for placement on public record for comment).

6. MSC Software Corp., Docket No. 9299 (Oct. 10, 2001) (complaint issued) (involving engineering software); Chicago Bridge Iron Co., Inc., Docket No. 9300 (Oct. 25, 2001) (complaint issued) (pertaining to field-erected specialty industrial storage tanks).

7. Press Release, FTC Authorizes Suit to Block Joint Acquisition of Seagram Spirits and Wine by Diageo PLC and Pernod Ricard S.A. (Oct. 23, 2001), available at <http://www.ftc.gov/opa/2001/10/diageo.htm>.

8. *FTC v. Libbey, Inc.,* Civ. Act. No. 02-0060 (RBW) (Memorandum Opinion) (D.D.C. Apr. 22, 2002). (granting FTC's request for a preliminary injunction).

9. Press Release, FTC to Challenge DGF Stoess's Proposed Acquisition of Leiner Davis (Jan. 15, 2002), available at <http://www.ftc.gov/opa/2002/01/gelatin.htm>.

10. Press Release, FTC Authorizes Injunction to Pre-empt Meade Instruments' Purchase of All, or Certain Assets, of Tasco Holdings, Inc.'s Celestron International (May 29, 2002), available at <http://www.ftc.gov/opa/2002/05/meadecelestron.htm>.

11. Press Release, FTC Seeks to Block Cytyc Corp.'s Acquisition of Digene Corp. (June 24, 2002), available at <http://www.ftc.gov/opa/2002/06/cytyc_digene.htm>.

12. *See* Press Release, FTC Initiates "Best Practices Analysis" for Merger Review Process (Mar. 15,

2002), available at <http://www.ftc.gov/opa/2002/03/bcfaq.htm>.

13. *See id.*

14. Polygram Holding, Inc., Docket No., 9298 (June 28, 2002) (Initial Decision), available at <http://www.ftc.gov/os/2002/06/polygramid.pdf>; Schering Plough Corp., Docket No. 9297 (July 2, 2002) (Initial Decision), available at <http://www.ftc.gov/os/caselist/d9297.htm>; Rambus Inc., Docket No. 9302 (June 18, 2002) (complaint), available at <http://www.ftc.gov/os/2002/06/rambuscmp.htm>.

15. Warner Communications Inc., Dkt. No., 4025 (consent order) (Sept. 21, 2001); Schering-Plough Corp., Dkt. 9297 (Apr. 5, 2002) (consent order as to American Home Products); Biovail Corp., File No. 011-0094 (Apr. 23, 2002) (proposed consent order accepted for placement on public record for comment); Physician Integrated Servs. of Denver, Inc., Dkt. No. 4054 (July 19, 2002) (consent order); Aurora Associated Primary Care Physicians, L.L.C., Dkt. No. 4055 (July 19, 2002) (consent order); Obstetrics and Gynecology Med. Corp. of Napa Valley, Dkt. No. 4048 (May 17, 2002) (consent order); Biovail Corp. and Elan Corp. PLC., Dkt. No., 4057 (Aug. 20, 2002) (consent order); System Health Providers, File No. 011-0196 (Aug. 20, 2002) (proposed consent order accepted for placement on public record for comment); Professionals in Women's Care, File No. 011-0175 (Aug. 20, 2002) (proposed consent order accepted for placement on public record for comment); and American Institute for Conservation of Historic and Artistic Works, File No. 011-0244 (Sept. 10, 2002) (proposed consent order accepted for placement on public record for comment).

16. Chevron Corp./Texaco Inc., Docket No. C-4023 (Jan. 2, 2002) (consent order).

17. Valero Energy Corp./Ultramar Diamond Shamrock Corp., Docket No. C-4031 (Feb. 19, 2002) (consent order).

18. Conoco Inc./ Phillips Petroleum Company, File No. 0211-0040 (August 30, 2002) (proposed consent order accepted for placement on public record for comment).

19. Phillips Petroleum Corp./Tosco Corp., File No. 011-0095 (Sept. 17, 2001) (Statement of the Commission).

20. *See* National Health Expenditures, by Source of Funds and Type of Expenditures, Health Care Financing Administration, available at <http://www.hcfa.gov/stats/nhe-oact/tables/t3.htm>.

21. *FTC v. The Hearst Trust, The Hearst Corp., and First DataBank, Inc.*, Civ Act. No.1:01CV00734 (D.D.C. Apr. 5, 2001) (complaint).

22. FTC v. Hearst, Civ. Act. No. 1:01CV00734 (D.D.C. Nov. 9, 2001) (Stipulation for Entry of Final Order and Stipulated Permanent Injunction).

23. Congressional Budget Office, How Increased Competition from Generic Drugs Has Affected Prices and Returns in the Pharmaceutical Industry (July 1998), available at <http://www.cbo.gov>.

24. *Id*.

25. *See* Federal Food, Drug, and Cosmetics Act, 21 U.S.C. § 301 *et seq*. The Hatch-Waxman amendments were contained in the Drug Price Competition and Patent Restoration Act of 1984, Pub. L. No. 98-417, 98 Stat. 1585 (codified at 15 U.S.C. §§ 68b, 68c, 70b; 21 U.S.C. §§ 301 note, 355, 360cc; 28 U.S.C. § 2201; 35 U.S.C. §§ 156, 271, 282 (1984)).

26. Schering-Plough Corp., Dkt. 9297 (Apr. 2, 2002) (consent order as to American Home Products).

27. Biovail Corp., File No. 011-0094 (Apr. 23, 2002) (proposed consent order accepted for placement on public record for comment).

28. In re Buspirone Patent Litigation/In re Buspirone Antitrust Litigation, Memorandum of Law of Amicus Curiae the Federal Trade Commission in Opposition to Defendant's Motion to Dismiss, available at <http://www.ftc.gov/os/2002/01/busparbrief.pdf>.

29. In re Buspirone, 185 F. Supp. 2d 363 (S.D.N.Y. 2002).

30. Biovail Corp. and Elan Corp. PLC., Dkt. No., 4057 (Aug. 20, 2002) (consent order).

31. System Health Providers, File No. 011-0196 (Aug. 20, 2002) (proposed consent order accepted for placement on public record for comment); Professionals in Women's Care, File No. 011-0175 (Aug. 20, 2002) (proposed consent order accepted for placement on public record for comment).

32. Physician Integrated Servs. of Denver, Inc., Dkt. No. 4054 (July 19, 2002) (consent order); Aurora Associated Primary Care Physicians, L.L.C., Dkt. No. 4055 (July 19, 2002) (consent order).

33. Obstetrics and Gynecology Med. Corp. of Napa Valley, Dkt. No. 4048 (May 17, 2002) (consent order).

34. Generic Drug Entry Prior to Patent Expiration: An FTC Study (July 2002), available at <http://www.ftc.gov/opa/2002/07/genericdrugstudy.htm>.

35. *See* 65 Fed. Reg. 61334 (Oct. 17, 2000); 66 Fed. Reg. 12512 (Feb. 27, 2001).

36. Rambus Inc., Dkt. No. 9302 (June 18, 2002) (complaint), available at <http://www.ftc.gov/os/2002/06/rambuscmp.htm>.

37. *Id*.

38. In 1996, the FTC brought a similar case against Dell Computer, alleging that Dell had failed to disclose that it had an existing patent on a personal computer component that was adopted as the standard by a video electronics group. Dell Computer Co., Dkt. No. C-3658 (May 20, 1996) (consent order) (Commissioner Azcuenaga dissenting).

39. *See* 66 Fed. Reg. 58146 (Nov. 20, 2001).

40. *See generally*, Aba Section of Antitrust Law, Antitrust Law Developments 1135 (4th ed. 1997) ("With few exceptions, the antitrust laws apply to all industries."); *cf.* Silver v. New York Stock Exchange, 373 U.S. 341 (1963) (implied antitrust exemptions are not favored).

41. *See, e.g., United States v. Topco Associates, Inc.*, 405 U.S. 596, 610 (1972).

42. For example, section 601(b)(2) of the Telecommunications Act of 1996 repealed the FCC's ability to confer immunity to telephone company mergers that were submitted to the FCC for review, and the Department of Transportation's authority to approve domestic airline mergers expired in 1989 pursuant to 49 U.S.C. app §1551 (1988); such mergers are now subject to ordinary application of the antitrust laws.

43. Any meeting among competitors, regardless of whether an antitrust exemption applies, carries some risk that the discussion may spill over into competitively sensitive matters. An antitrust exemption, however, may be perceived as providing some shelter for firms inclined to discuss off-limits topics, particularly when there is some interpretive flexibility as to what subject matters are reasonably "related to" the objectives of the legislation.

44. We are aware, of course, that there have been rare instances in which Congress enacted statutory grants of immunity for joint action of competitors. In those situations, the exemption typically applied to specific industries or activities that were subject to a special regulatory regime, or to a specific transaction or agreement that had been approved by a federal agency, again usually in the context of a regulated industry. Prior approval of an agreement by a federal agency has not been required when the scope of the immunity was very limited, but broader grants of immunity have been accompanied by strict controls on the development and implementation of agreements. Without such strict limits, the dangers of antitrust exemptions are even greater.

45. 317 U.S. 341 (1943).

46. 365 U.S. 127 (1961).

47. 381 U.S. 657 (1965).

48. American Bar Association Section of Antitrust Law, The State of Antitrust Enforcement - 2001, Report of the Task Force on the Federal Antitrust Agencies - 2001, 42 (2001), available at <http://www.abanet.org/antitrust/antitrustenforcement.pdf>.

49. Materials related to the workshop are available at <http://www.ftc.gov/bc/b2b/index.htm>.

50. Entering the 21st Century: Competition Policy in the World of B2B Electronic Marketplaces, A Report by the Federal Trade Commission Staff (October 2000), available at <http://www.ftc.gov/os/2000/10/b2breport.pdf>.

51. Materials related to the workshop are available at <http://www.ftc.gov/opp/ecommerce/index.htm>.

52. *See* Press Release, *FTC Terminates HSR Waiting Period for Covisint B2BVenture* (September 11, 2000), available at <http://www.ftc.gov/opa/2000/09/covisint.htm>.

53. Letter from Timothy J. Muris, Chairman, Federal Trade Commission and Charles A. James, Assistant Attorney General (Antitrust), Department of Justice, to The Honorable John B. Harwood, Speaker of the Rhode Island House of Representatives (regarding proposed bill H. 7462, Restricting Competition From Non-Attorneys In Real Estate Closing Activities) (Mar. 29, 2002); Letter from Timothy J. Muris, Chairman, Federal Trade Commission and Charles A. James, Assistant Attorney General (Antitrust), Department of Justice, to Ethics Committee, North Carolina State Bar (regarding North Carolina State Bar Opinions Restricting Involvement of Non-Attorneys in Real Estate Closings and Refinancing Transactions) (Dec. 14, 2001); and Comments of The Staff of the Federal Trade Commission, Intervenor, *In Re: Declaratory Ruling Proceeding On the Interpretation and Applicability of Various Statutes and Regulations Concerning the Sale of Contact Lenses* (Ct. Bd. Of Examiners for Opticians, Mar. 27, 2002).

FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Competition Matters

Un-consummated merger

By: Debbie Feinstein, Director, Bureau of Competition | December 18, 2013

Today, five years post-consummation, the Commission approved Polypore International, Inc.'s application to sell Microporous, a competitor it purchased in 2008. Polypore was ordered to divest the entire business it had purchased after the Commission determined that the merger had substantially lessened competition in violation of the antitrust laws. Soon, customers in need of flooded lead-acid battery separators can buy these products from a newly independent company, restoring competition to its pre-merger state.

The backstory: In September 2008, the Commission filed an administrative complaint alleging that Polypore's acquisition of rival battery separator manufacturer Microporous had substantially lessened competition in the sale in North America of battery separators for various types of batteries, such as those used in golf carts. (Battery separators are membranes placed between the positive- and negatively-charged plates to prevent electrical short circuits.) In March 2010, after a one-month trial, the administrative law judge found that Polypore's acquisition was illegal and ordered Polypore to divest all Microporous assets—a plant in Piney Flats, Tennessee, as well as a plant in Feistritz, Austria. In November 2012, the Commission unanimously upheld the ALJ's order, rejecting arguments that its divestiture order was overbroad because it included assets located outside North America, the geographic market alleged by the Commission for each of the products. The Eleventh Circuit upheld the Commission's order, and in June 2013, the Supreme Court declined to review the matter.

The takeways: First, the Commission can and will investigate consummated mergers, and when appropriate, will require divestitures to remedy the effects of a transaction that substantially lessens competition. Prior to the passage of the Hart-Scott-Rodino ("HSR") Act and the implementation of the premerger notification program in 1978, all merger enforcement under Section 7 of the Clayton Act was after-the-fact. As a result, achieving a remedy in consummated mergers often involved a complicated "unscrambling of the eggs" to restore competition to pre-merger levels. Although

premerger review has contributed to effective and efficient merger enforcement for more than thirty years, there will be times – typically for transactions that do not require premerger notice under the HSR Act -- when the Commission must act after-the-fact to restore competition and protect consumers in markets with proven anticompetitive effects from a consummated merger.

Second, an effective remedy in any acquisition is one that most closely replicates the competition that was lost due to the merger. It may result in the sale of the entire business acquired. It may also involve the divestiture of assets outside the market of concern. In the Polypore matter, effective relief included the divestiture of assets located outside North America because such assets were necessary for the buyer to compete effectively in the North American markets for battery separators. The Bureau of Competition has developed a Statement on Negotiating Merger Remedies that provides guidance for how the Commission fashions effective relief for anticompetitive mergers, including those involving consummated deals.

Parties have the right to contest Commission's charges, and the Commission will litigate when necessary to prevent or mitigate harm to consumers from anticompetitive mergers. Whether pre-merger or post-consummation, the Commission will take the steps necessary preserve or restore competition. For further discussion of how the Commission enforces the antitrust laws via consent orders as well as litigated orders, see my speech from earlier this year.

Tags: Competition | Bureau of Competition | Merger | Manufacturing | Industrial Goods

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FEDERAL TRADE COMMISSION
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For Your Information

FTC Approves Polypore International's Application to Sell Microporous to Seven Mile Capital Partners; Sale Will Unwind Illegal 2008 Acquisition

December 18, 2013

Tags: Competition | Bureau of Competition | Merger | Manufacturing | Industrial Goods

Following a public comment period, the Federal Trade has approved an application by Polypore International, Inc. for approval to divest all stock and assets related to Microporous, which it acquired in February 2008, to Seven Mile Capital Partners. The divestiture is required by a Commission final decision and order that found the acquisition anticompetitive and required Polypore to sell Microporous to an FTC-approved buyer.

The FTC challenged Polypore's acquisition of Microporous in a September 9, 2008, complaint, charging that the merger had resulted in decreased competition and higher prices in four North American markets for battery separators, a key component in flooded lead-acid batteries. Following an administrative trial, on February 22, 2010, an administrative law judge found that the consummated deal was anticompetitive, and that complete divestiture of the acquired assets was needed to restore competition in the affected markets.

On November 5, 2010, the Commission upheld the ALJ's Initial Decision, ruling that the acquisition was anticompetitive in three of the four North American markets identified in the complaint but not in the fourth market for separators used to make batteries for backup power supply. The Commission's order required Polypore to sell Microporous to an FTC-approved buyer within six months after the divestiture provisions became final. Polypore appealed the Commission's decision to the U.S. Court of

AR_001687

Appeals, which on July 11, 2012, affirmed the FTC's final decision and order. Polypore then appealed the case to the U.S. Supreme Court, which declined to hear it.

The Commission vote approving the proposed divestiture was 3-0-1, with Commissioner Joshua D. Wright not participating. (FTC Docket No. 9327; the staff contact is Elizabeth A. Piotrowski, Bureau of Competition, 202-326-2623; see related press release dated September 10, 2008)

The FTC's Bureau of Competition works with the Bureau of Economics to investigate alleged anticompetitive business practices and, when appropriate, recommends that the Commission take law enforcement action. To inform the Bureau about particular business practices, call 202-326-3300, send an e-mail to antitrust{at}ftc{dot}gov, or write to the Office of Policy and Coordination, Bureau of Competition, Federal Trade Commission, 601 New Jersey Ave., Room 7117, Washington, DC 20001. To learn more about the Bureau of Competition, read Competition Counts. Like the FTC on Facebook, follow us on Twitter, and subscribe to press releases for the latest FTC news and resources.

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FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Competition Matters

Milestones in FTC history: HSR Act launches effective premerger review

By: Kelly Signs | March 16, 2015

Some will remember 1976 as the year of the nation's bicentennial, but it was also the year that Congress gave the antitrust agencies an important tool to prevent harmful mergers before the harm occurs and before the assets and operations of the merging parties are joined in a way that precludes effective relief after-the-fact.

Named for its three principal sponsors, Senators Philip Hart and Hugh Scott, and Representative Peter W. Rodino, Jr., the Hart-Scott-Rodino Antitrust Improvements Act requires prior notification to the antitrust agencies of certain mergers and a waiting period to permit pre-consummation review. In the words of Congressman Rodino, the wisdom of premerger notification was a lesson learned the hard way:

> The problem this bill cures is startlingly simple, but it goes to the very foundations of our merger law. Under present law, companies need not give advance notification of a planned merger to the Federal Trade Commission and the Department of Justice. But if the merger is later judged to be anticompetitive, and divestiture is ordered, that remedy is usually a costly exercise in futility—untangling the merged assets and management of the two firms is like trying to unscramble an omelet. 122 Cong. Rec. 25051 (1976).

Give Feedback

The HSR Act, and its companion rules promulgated by the FTC, fundamentally changed the process of U.S. merger review and finally allowed the antitrust agencies to fulfill the mandate of Section 7 of the Clayton Act to stop anticompetitive combinations in their incipiency. But passage of the HSR Act was also the end of a journey. The HSR Act was, in fact, the culmination of years of effort by the FTC and others to review mergers before they occurred. The story extends back some seven decades before – to the Bureau of Corporations, the FTC's predecessor agency, and the Presidency of the original "trust buster," Theodore Roosevelt.

Early Efforts at Advanced Notice

In 1903, President Teddy Roosevelt urged Congress to create the Bureau of Corporations, headed by a Commissioner and empowered to conduct investigations and issue reports. In 1908, at the urging of TR and Commissioner of Corporations Herbert Knox Smith, an alliance of businessmen, academics, labor officials and others pressed for new legislation to broaden the Bureau's powers. The "Hepburn bill" would have effectively required large firms to submit advance notice of proposed mergers (as well as significant agreements short of a merger). Proposals would have been subject to government disapproval, although the government could also later challenge a merger that it had not disapproved. The bill also would have provided some immunity for noticed arrangements after one year had passed. But the idea of premerger review was an idea not ripe for the time: the Hepburn bill did not become law. And in 1914, Congress passed the FTC and Clayton Acts, including Section 7 which outlawed anticompetitive mergers but did not provide for premerger notification.

Consensus for a broad premerger notification requirement started to gain traction after 1950. President Eisenhower endorsed premerger notification in 1956, and FTC Chairs repeatedly pressed Congress for such legislation: John Gwynne in 1957 and 1958; Paul Rand Dixon in 1961; and Lewis Engman in 1975. Annual reports of the Commission for 1958 and 1960 refer to continuing efforts by the FTC to obtain legislation requiring prior notice for acquisitions, in order to "make possible fast… and more effective action to maintain fair business competition."

Give Feedback

In the meantime, the FTC turned to existing tools to create opportunities for pre-closing merger review. For instance, in some cases where respondents' past merger activity was found unlawful, FTC orders required the respondents to obtain the Commission's prior approval for subsequent mergers. See Luria Brothers, 62 F.T.C. 243, 635-8 (1963), aff'd, 389 F.2d 847, 865–66 (3d Cir.), cert. denied, 393 U.S. 829 (1968). (After the HSR premerger notification program was well established, the

Commission decided to rely on HSR filings in lieu of prior approval provisions except in very limited circumstances.)

The Era of Special Reports

Antitrust practitioners of a certain age also may recall (from personal experience or via urban legend) that starting in 1967, the Commission used its investigative authority under Section 6 of the FTC Act to require "special reports" that provided 60-day advance notice of certain mergers. This initiative first focused on the food distribution and cement industries, and was later expanded to include grocery stores and textile mills. In 1969, the program was extended to large mergers generally. Under this precursor program, all corporations subject to FTC jurisdiction with total assets or sales of $250 million or more were required to file a special report when acquiring a firm with $10 million or more in total assets or sales. 34 Fed. Reg. 7592 (1969). But the Commission's power to require special reports was not without critics, and the agency began to retreat in 1974. That year, the Commission required notification ten days after an agreement in principle to merge or acquire assets was signed, but dispensed with the requirement that the filing be made sixty days before consummation. 39 Fed. Reg. 35,717 (1974). None of these programs required the companies hold off on their merger plans.

New Tools for Modern Times

Back in the days before the HSR Act, mergers that were executed in the dark of night to avoid government intervention were referred to as "midnight deals," and some resulted in protracted litigation to undo the harmful effects. Perhaps the most egregious example from antitrust lore is United States v. El Paso Natural Gas Co., 376 U.S. 651 (1964), a post-merger Section 7 case that required 17 years of litigation and eight trips to the Supreme Court before a divestiture finally took place. In those days, government merger cases often resulted in pyrrhic victories where a court four that the merger harmed competition yet couldn't order relief to "unscramble the eggs."

Give Feedback

What emerged in 1976 as the text of the HSR Act was actually an amalgam of three bills that had been introduced to address perceived shortcomings in the mechanisms of antitrust enforcement. Title I addressed DOJ civil investigative demands; Title II established premerger notification; and Title III created parens patriae authority for state attorneys general. Passage was not assured as there were many objections from all quarters, especially to Title III. But last minute procedural maneuvering by Senator Hart and Representative Rodino steered the bill through Congress. President Ford signed the bill on September 30, 1976, with the following statement:

The second title of this bill will require parties to large mergers to give the Antitrust Division and the Federal Trade Commission advance notice of the proposed mergers. This will allow these agencies to conduct careful investigations prior to consummation of mergers and, if necessary, bring suit before often irreversible steps have been taken toward consolidation of operations. Again, this proposal was supported by my Administration, and I am pleased to see it enacted into law.

In the years since its passage, premerger review has become an indispensable part of effective antitrust enforcement. In remarks celebrating the 25th Anniversary of the HSR Act, Congressman Peter Rodino recalled the bipartisan effort that led to its climatic passage, observing: "From what I hear, the legislation absolutely has transformed merger enforcement. Competition, as well as the consumer, has benefitted."

More Reading on the History of Premerger Notification

William J. Baer, Reflections on 20 Years of Merger Enforcement under the Hart-Scott-Rodino Act, Remarks Before the 35th Annual Corporate Counsel Institute (Oct. 31, 1996).

Martin J. Sklar, The Corporate Reconstruction of American Capitalism (1988) (including discussions of the Hepburn Bill at 228-85) and Marc Winerman, The Origins of the FTC: Concentration, Cooperation, Control and Competition (2004), 71 Antitrust L.J. 1, 15-20 (2003).

For more on early FTC merger enforcement, including a rare premerger challenge from 1923, see Marc Winerman and William E. Kovacic, Outpost Years for a Start-up Agency: The FTC from 1921-1925, 77 Antitrust L.J. 145, 190-92 (2010); Marc Winerman and William E. Kovacic, The William Humphrey and Abram Meyers Years: The FTC from 1925-1929, 77 Antitrust L.J. 701, 735-39 (2011).

Willard F. Mueller, Director of the Bureau of Economics, Ch. 7, Fighting for Antitrust Policy: The Cruc 1960's.

Philip Marcus, Antitrust Law and Practice 332 (1980) discusses the FTC special reporting program.

Irving Scher, Emerging Issues Under the Antitrust Improvements Act of 1976, 77 Col. Law Rev. 679 (1977).

Kintner, Earl, The Legislative History of the Federal Antitrust Laws and Related Statutes, Vol. 10.

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The records of President Ford's consideration of the HSR Act are available online at http://www.fordlibrarymuseum.gov/library/document/0055/1669524.pdf.

Tags: Competition | Bureau of Competition | Merger | Hart-Scott-Rodino Act (HSR) | Gasoline

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Competition Matters

A fine balance: toward efficient merger review

By: Debbie Feinstein, Bureau of Competition | August 4, 2015

One of the key functions of the Bureau of Competition is to analyze mergers. Obtaining information through Second Requests is an essential aspect of our review process for proposed acquisitions. Even though the FTC and DOJ on average issue a Second Request in less than 5 percent of filed transactions, for the few that do require more extensive review, we have long recognized the burden they impose. The challenge is to find a balance between our need for information to determine whether there is a potential law violation and avoiding unnecessary costs for businesses subject to review.

In 2002, the Bureau of Competition issued Guidelines on Merger Investigations. Those guidelines included such welcome changes as eliminating the requirement that documents be sorted by specification and providing early guidance on providing productions electronically. In 2006, Chairma Majoras announced additional reforms to the merger review process. After almost a decade which saw such changes as the increased use of pull and refile, and advances in electronic discovery, we decided it was time to take a look at whether parties had made use of the 2006 reforms to reduce th burden and costs associated with Second Requests and whether additional guidance was in order.

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The 2006 reforms, among other changes, contained three options for reducing the burden on parties subject to a Second Request: (1) a presumption that only 35 custodians per party would be searched if the parties complied with certain requirements; (2) a presumed limit of two years for data and documents; and (3) the option for parties to submit a partial privilege log. In examining what had occurred since the reforms, we learned several interesting things:

- Parties rarely formally invoked the 35-custodian presumption and rarely agreed to the specified conditions.

- Nevertheless, in most cases, the merging parties searched fewer than 35 custodians.
- The length of investigations has not changed materially since the announcement of the 2006 reforms.
- It often remains necessary to obtain information more than two years old, because specific circumstances relevant to the merger review require it.

We also looked at our Model Second Request to see if it reflected what we have been doing in recent Second Requests and whether we needed to make additional changes to it. After extensive dialogue, we determined that only a few changes were appropriate. Our revised Model Second Request remains largely the same. The few changes we have made include those relating to requests for datasets, pricing information, and the instructions regarding search terms and the use of predictive coding.

Finally, in addition to looking at the content of the Second Request and use of the Merger Process Reforms, we considered other aspects of our investigations with an eye to balancing the effort required (by both FTC staff and the merging parties) to investigate potentially problematic mergers with the need for adequate information for those investigations. The result of this effort is guidance to parties on steps they can take to work cooperatively with Bureau staff to minimize burden on all involved; these steps include early discussions and effective use of pulling and refiling an HSR filing. We also have updated our BC Production Guide, which contains information on suggested formats when submitting information electronically.

Of course, the principal means of reducing the burden of a Second Request is to negotiate with staff to modify the terms, and we found that this continues to be the most effective way to tailor the Second Request. As part of this project, we continue to work internally to share best practices and learning. While none of this is a sea change in how we conduct second request investigations, we hope this continued reflection and incremental process improvement will make the process more efficient and transparent for all.

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The FTC's Merger Remedies 2006-2012

A Report of the Bureaus of Competition and Economics

January 2017

FEDERAL TRADE COMMISSION

THE FTC'S MERGER REMEDIES 2006-2012
A REPORT OF THE BUREAUS OF COMPETITION AND ECONOMICS

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Maureen K. Ohlhausen	Commissioner
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Executive Summary

One of the Federal Trade Commission's primary tasks is to enforce Section 7 of the Clayton Act, 15 U.S.C. § 18, which prohibits mergers when their effect may be to lessen competition.[1] Most mergers do not raise competitive concerns, but some raise sufficiently significant competitive concerns that the Commission seeks to block them outright. For most of the mergers in which the Commission finds a competitive problem, harm to competition is likely to occur in only a subset of the markets in which the merging parties operate. In those situations, appropriate remedies may protect competition while allowing the merger to proceed. Recognizing that the efficacy of its remedies is critical to its antitrust mission, the Commission conducted a broad study of all of its merger orders from 2006 through 2012. This study expanded on the divestiture study the FTC completed in 1999.[2] This staff report summarizes the findings and provides best practices reflecting the learning of the study.

The current study evaluated the success of each remedy and examined the remedy process more generally. Staff used three methods to conduct the study. First, staff examined 50 of the Commission's orders using a case study method.[3] Similar to the method used in the 1999 Divestiture Study, staff interviewed buyers of divested assets and the merged firms. Staff also interviewed other market participants and analyzed seven years of sales data gathered from significant competitors. Second, staff evaluated an additional 15 orders affecting supermarkets, drug stores, funeral homes, dialysis clinics, and other health care facilities by examining responses to questionnaires directed to Commission-approved buyers in the relevant transactions. Finally, staff evaluated 24 orders affecting the pharmaceutical industry using both internal and publicly available information and data. In all, staff reviewed 89 orders and conducted more than 200 interviews, analyzed sales data submitted by almost 200 firms, examined responses to almost 30 questionnaires, and reviewed significant additional information related to the pharmaceutical industry.

In evaluating the 50 orders in the case study component, Commission staff considered a merger remedy to be successful only if it cleared a high bar—maintaining or restoring competition in the relevant market.[4] Using that standard, all of the divestitures involving an ongoing business succeeded. Divestitures of limited packages of assets in horizontal, non-consummated mergers fared less well, but

[1] This report uses the term "mergers" throughout, even though the specific transactions may be acquisitions, mergers, or other forms of combination.

[2] "A Study of the Commission's Divestiture Process," Bureau of Competition (August 1999) (hereinafter "1999 Divestiture Study"), https://www.ftc.gov/sites/default/files/attachments/merger-review/divestiture.pdf.

[3] The case study method of research accumulates case histories and analyzes them with a view toward formulating general principles. This method is used often in social science research. *See, e.g.*, Robert K. Yin, Case Study Research: Design and Methods (2009).

[4] Commission staff's assessment of the success or failure of the divestiture depended on whether competition in the relevant market remained at its pre-merger level or returned to that level within a short time. However, competition in a market is affected by many factors, and it is possible that competition might have lessened in certain markets even if the merger had not happened. Section IV.C. discusses the method for evaluating outcomes, including the standard by which Commission staff defined success, and the achieved outcomes.

still achieved a success rate of approximately 70%. Remedies addressing vertical mergers also succeeded. Overall, with respect to the 50 orders examined, more than 80% of the Commission's orders maintained or restored competition.

For the remedies involving supermarkets, drug stores, funeral homes, dialysis clinics, and other health care facilities evaluated as part of the questionnaire portion of the study, the vast majority of the assets divested under those 15 orders are still operating in the relevant markets. And, with respect to the 24 orders affecting the pharmaceutical industry, the majority of buyers that acquired products on the market at the time of the divestiture continued to sell those products. Additionally, all of the divested assets relating to products that were in development and not available on the market at the time of the divestiture were successfully transferred to the approved buyers.

The study also confirmed that the Commission's practices relating to designing, drafting, and implementing its merger remedies are generally effective, but it identified certain areas in which improvements can be made. Specifically, some buyers expressed concerns with the scope of the asset package, the adequacy of the due diligence, and the transfer of back-office functions. While the concerns raised may not have interfered with buyers' ability to compete in the relevant markets over the long term, they may have resulted in additional challenges that buyers had to work around or otherwise overcome. Staff has already taken various steps to address these concerns. They include asking additional targeted questions about remedy proposals to divest limited asset packages, asking more focused questions about financing, and monitoring the due diligence process even more carefully. Staff is also more closely scrutinizing buyers' back-office needs, and, in some cases, is considering additional order language. Finally, the study surprisingly revealed that there continued to be a reluctance among buyers to raise concerns with staff and independent monitors when they arose. Staff is increasing efforts to remind buyers of the benefits of reaching out to staff or monitors when issues arise.

Staff concludes this report with best practices, based on learning from the study.

AR_001702

I. Introduction

In the late 1990s, FTC staff embarked on what, at the time, was the first effort by an antitrust enforcement agency to evaluate systematically its merger remedy program. Staff evaluated 35 horizontal merger orders that the Commission issued from 1990 through 1994, relying on a case study method. In 1999, the Bureau of Competition issued its report concluding that "most divestitures appear to have created viable competitors in the market of concern to the Commission."[5] Although there was some criticism at the time that the 1999 Divestiture Study had not gone far enough in assessing the competitive effectiveness of the remedies, the idea of evaluating past orders was generally well received. Since then, antitrust enforcement agencies in other jurisdictions have conducted similar studies with largely similar results.[6]

The Commission made several changes in its merger remedy policies and practices in large part due to the findings of the 1999 Divestiture Study. For example, the Commission began requiring upfront buyers[7] for divestitures of less than an ongoing business[8] or assets that raised particular risks of deterioration pending divestiture. The Commission also shortened the default divestiture period for post-

[5] 1999 Divestiture Study at 8. "The Study was not designed to conduct a complete competitive analysis of the relevant markets or draw definitive conclusions about how any of the markets are performing. Instead, it attempted to draw conclusions about whether the buyer of the divested assets was able to enter the market and maintain operations." *Id.* at 9.

[6] DG Competition of the European Commission, MERGER REMEDIES STUDY (2005), http://ec.europa.eu/competition/mergers/legislation/remedies_study.pdf; UK Competition & Markets Authority, UNDERSTANDING PAST MERGER REMEDIES: REPORT ON CASE STUDY RESEARCH (updated July 2015), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/448223/Understanding_past_merger_remedies.pdf; and Competition Bureau of Canada, COMPETITION BUREAU MERGER REMEDIES STUDY (2011), http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/vwapj/cb-merger-remedy-study-summary-e.pdf/$FILE/cb-merger-remedy-study-summary-e.pdf.

[7] The "buyer" is the entity that the Commission approves under its order to acquire divested assets. An "upfront buyer" is a buyer named in the proposed order after that buyer has negotiated a transaction agreement with the respondent and the Commission has approved that buyer and the terms of the transaction.

[8] The 1999 Divestiture Study described assets comprising an "ongoing business" as follows:

> [T]he assets include most typically an established customer base, a fully staffed facility of some sort (a manufacturing facility or a retail operation) or an otherwise self-contained business unit that may have product contract packed, a manufacturing and/or sales force, perhaps a research and development team, and other assets that are included in the business, including ancillary agreements and third-party contracts. This type of divestiture should result in the almost immediate transfer of market share from respondent to buyer. Most of the packages of assets labeled as "on-going businesses" had not, however, actually been operated as autonomous businesses before the divestiture; nevertheless, they were characterized this way because the market share attributed to the assets could be transferred immediately and potentially for the long-term. A buyer could buy and be operational the next day, selling to all of the same customers.

1999 Divestiture Study at 11. The present study uses the same criteria to define an ongoing business.

order buyers,[9] from a year or more to six months or less, and started appointing independent third parties more often to monitor complex remedies or those in highly technical industries. In addition, the Commission staff began interviewing buyers of divested assets six months to a year after the divestitures to discuss their progress and any issues that might have arisen.

Early in 2015, the Commission decided to evaluate the impact of the changes implemented since the 1999 Divestiture Study and to conduct another merger remedy study. The Commission designed the study to be more comprehensive in scope and broader in analysis than the 1999 Divestiture Study. As required by the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq*., the Commission sought public comment and approval from the Office of Management and Budget ("OMB"). OMB approved the project in August 2015.[10]

The study relied in large part on the willingness of market participants—respondents,[11] buyers of divested assets, other competitors, and customers—to share their experiences with the Commission's remedies and their impact on competition in the relevant market. During the study, over 200 market participants shared with staff their thoughts and observations.[12] To protect the confidentiality of the information discussed during those interviews and submitted to the Commission, this report does not contain any confidential information or identify the parties from whom information was received.

This study encompassed all 89 orders issued by the Commission from 2006 through 2012 in order to remedy the anticompetitive effects of a proposed or consummated merger.[13] For purposes of analysis, staff divided these 89 orders into three groups based, in large part, on the degree of experience the Commission has with the affected industry.

- Commission staff evaluated 50 of the orders—involving the broadest range of industries—using a case study method that relied on interviews of market participants and sales data. Staff

[9] A "post-order buyer" is a buyer of divested assets approved by the Commission following the issuance of a divestiture order. As with upfront buyers, the Commission will set a deadline by which the divested assets must be transferred.

[10] Office of Management and Budget Control No. 3084-0166.

[11] This report uses the term "respondent" to refer to the parties to a merger order. Although the FTC also has the authority to obtain merger remedies in federal court, where a party to the order would be referred to as the "defendant," *see, e.g.*, *St. Alphonsus Med. Ctr.-Nampa, Inc., et al. v. St. Luke's Health Sys., et al.*, 778 F.3d 775 (9th Cir. 2015), all of the merger orders included in the study were issued by the Commission.

[12] Participation in the interviews was voluntary, and the rate of participation was high. Staff interviewed 193 market participants, including 42 respondents, 46 buyers, 49 additional competitors, and 56 customers. Staff also interviewed 14 monitors. Overall, about two-thirds of the proposed interviewees agreed to an interview: 80% of the merged firms, nearly 90% of the buyers, 80% of other competitors, and 45% of customers. In addition, well over half of the buyers that received questionnaires responded to them. The study relied, in large part, on the information obtained in these interviews and from the responses to the questionnaires. The staff appreciates the willingness of all parties who agreed to participate in the interviews and who responded to the questionnaires.

[13] Ninety-two merger orders were first identified, and that number was used in the Federal Register Notice, dated January 16, 2015, requesting comments on the proposed study. Upon further examination, however, staff determined that three of those 92 orders related to mergers that were abandoned for business or other reasons and were thus dropped from the study.

AR_001704

interviewed not only buyers and respondents, as had been done in the 1999 Divestiture Study, but also selected competitors and customers. For these orders, the Commission also went beyond the 1999 Divestiture Study by requesting seven years of sales data from significant market competitors and by compiling market shares based on that data.

- Staff evaluated another 15 orders involving industries with which the Commission is well familiar—supermarkets, drug stores, funeral homes, dialysis clinics, and other health care facilities—using responses to voluntary questionnaires sent to the buyers. The questionnaires focused on several issues that had arisen in prior divestitures in these industries, such as the scope of the asset package and the due diligence process.

- The final 24 orders reviewed involved the pharmaceutical industry, another industry about which the Commission is knowledgeable. These orders were evaluated based on internal expertise, information, and data, as well as information obtained from publicly available sources.

This report focuses primarily on the learning from the case studies, which delved more deeply into the implementation and outcome of the remedies reviewed than the other two parts of the study.[14] The study concluded that most of the remedies in the case studies successfully maintained or restored competition in the identified relevant markets. Section IV.C. explains the criteria for evaluating success and discusses the results of that analysis. The study also identified the concerns interviewees raised about certain aspects of the remedy process, which the Commission has already begun to address. This report summarizes those concerns below and discusses them in more detail in Section IV.D.

The study found that all remedies involving divestitures of assets comprising ongoing businesses succeeded, confirming that such divestitures are most likely to maintain or restore competition. The study also revealed that buyers of less than an ongoing business—buyers of "selected assets"—did not always succeed at maintaining competition, suggesting that the more limited scope of the asset package increases the risk that a remedy will not succeed. The study showed that, even with an upfront buyer, the Commission has not always eliminated the risk associated with divestiture of more limited asset packages.[15] Therefore, proposals to divest selected assets generally warrant more detailed Commission examination.

The 1999 Divestiture Study revealed that respondents sometimes may have proposed buyers that, though marginally acceptable, were less likely to provide robust competition. The new study showed that respondents in most cases proposed buyers likely to fully satisfy the Commission's criteria for strong, viable competitors. But because the success or failure of a divestiture depended, in part, on whether the buyer had adequate funding commitments to ensure success, the Commission will examine more closely, among other things, the source of the buyer's financing, its plans if the transaction does not

[14] The case study findings are consistent with the findings of the other two parts of the study. The results compiled from responses to the questionnaires and review of pharmaceutical orders are summarized in Sections V and VI, respectively.

[15] The reason, of course, that the Commission is concerned about the success of a remedy in restoring or maintaining competition is to protect customers and ultimately end consumers. If a divestiture remedy fails, customers and consumers would likely be harmed.

meet its financial goals, what it has done in other instances when acquisitions have not met financial goals, and related issues.

For their part, most buyers appeared to understand the Commission's remedy process and expressed satisfaction with how it transpired. Some buyers, however, raised concerns about the limited time available for due diligence and the lack of access to respondents' facilities and employees. Although upfront buyers raised this concern more frequently than post-order buyers, several post-order buyers raised it as well. In some cases, the lack of access to facilities and employees during the due diligence process may have delayed the buyers' ability to compete in the relevant markets or increased the buyers' costs.

Some buyers identified unforeseen complexities in transferring "back-office" functions related to the divested assets,[16] regardless of whether the divested assets included those functions or the buyers developed them internally or obtained them from third parties. When respondents did provide those functions on a transitional basis until buyers could perform them on their own, some buyers believed the length of the transition services agreements was too short. In several cases, buyers took longer to transition away from respondents' information technology systems than anticipated, requiring a longer period of transition services than specified in, or available via, the orders.

In addition, some buyers raised questions about the length of supply agreements. Although extensions of supply agreements may not always be warranted, providing mechanisms for extending them may be helpful to accommodate unanticipated complexity in the limited cases where buyers need a temporary extension. Both respondents and buyers raised concerns about the operation of assets that respondents are sometimes required to hold separate from the remainder of their operations pending their divestiture and the role of the hold separate managers typically appointed in orders to hold separate.

Finally, despite the Commission's efforts since the 1999 Divestiture Study to encourage buyers to reach out to staff if they encounter difficulties, it appeared that buyers continue to be reluctant to bring issues to the attention of staff or the monitors when they arise.

The concerns identified by buyers did not necessarily affect the ability of any particular buyer in the study to maintain or restore competition, but they represent potential gaps and risks that may adversely affect merger remedies. Addressing these concerns does not require a change in the Commission's overall approach to remedies. It does, however, necessitate enhanced staff scrutiny, including asking additional questions of respondents and proposed buyers, and, in some instances, increased monitoring of the overall divestiture process. In certain cases, addressing these concerns may also require different order language. The Best Practices section at the end of this report describes the additional steps staff is now taking as part of the Commission's remedy process and provides information to respondents and buyers regarding additional issues they should consider during the course of the remedy process.

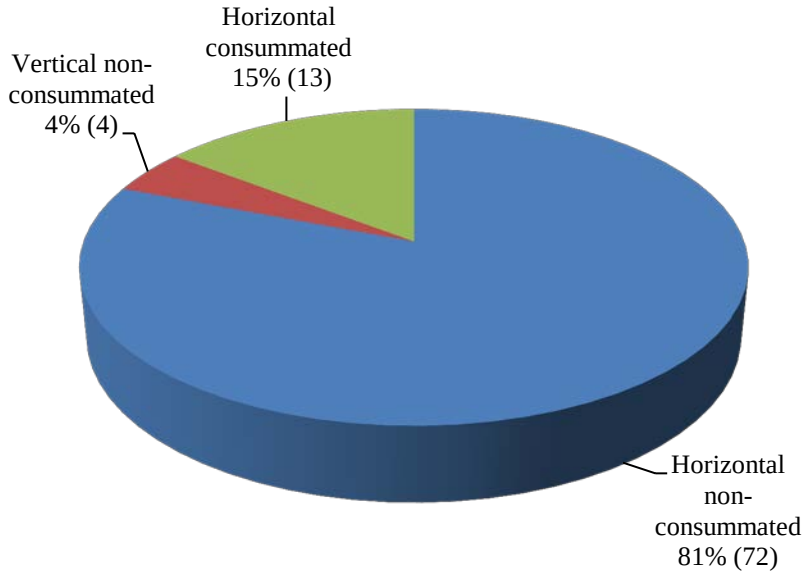
[16] "Back-office" functions refer to a variety of support functions such as legal, finance, accounting and tax, risk, insurance, environmental services, and human resources (and includes related personnel and books and records). They also encompass information technology systems and databases, used in connection with warehousing, sales, production, and inventory databases, as well as controls, processing, and operations software.

AR_001706

II. Overview

This study included 89 Commission merger orders from 2006 through 2012, affecting over 400 markets.[17] All of these were consent orders, although the Commission had begun litigation with respect to three of the mergers before the parties ultimately settled with a divestiture. The vast majority of the orders addressed horizontal concerns; only four involved vertical concerns. *See* Figure 1. Seventy-five of the underlying mergers were reportable under the Hart-Scott-Rodino ("HSR") Act, 15 U.S.C. § 18a; 14 were not. Of the 75 HSR-reported transactions, two were consummated before negotiations of a consent agreement began. Of the 14 that were not HSR-reported, 11 were consummated prior to consent negotiations.

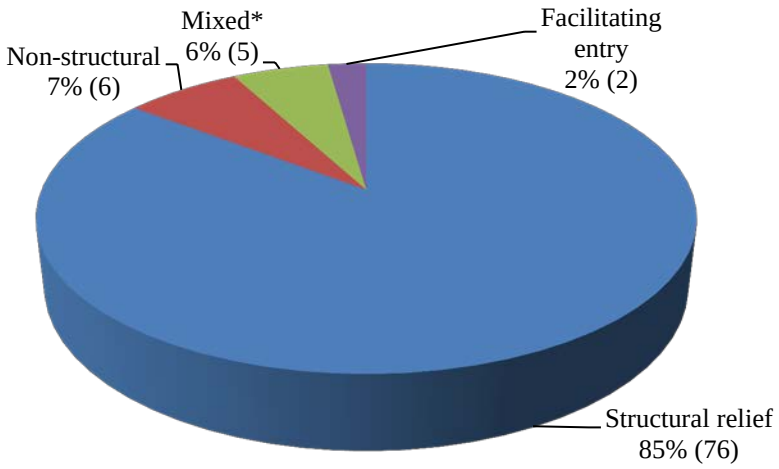
FIGURE 1: Percent of Orders by Merger Type and Consummation Status



The 89 orders covered an array of remedies, but most imposed structural relief. As shown in Figure 2, 76 of the 89 orders required structural relief, 74 of those required divestitures to remedy competitive effects in all affected markets, and two required restructuring of the underlying merger so that the acquirer did not purchase the overlapping assets. Five other orders addressed effects in multiple markets with divestitures in some markets, and non-structural relief in others. Six orders, of which four were vertical, required only non-structural relief. Two required relief other than divestiture that was designed to facilitate entry.

[17] The Commission explained how it selected this time period in the Federal Register Notice, dated January 16, 2015, requesting comments on the proposed study. The Commission initiated another 54 enforcement actions from 2006 through 2012, which did not result in a Commission order. These actions included preliminary injunction actions, administrative complaints, and actions with respect to transactions that were abandoned or restructured. *See* www.ftc.gov/competition-enforcement-database.

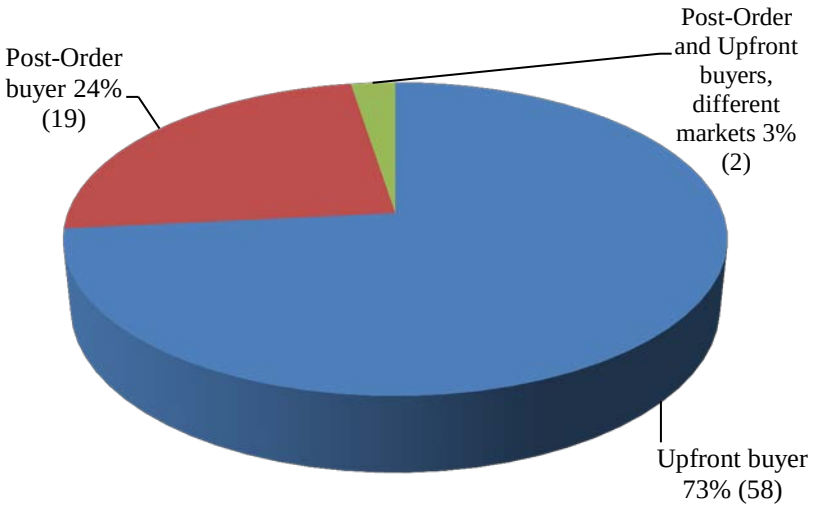
FIGURE 2: Type of Remedy



* "Mixed" represents an order with both structural and non-structural relief across different markets

As shown in Figure 3, 58 of the 79 orders requiring divestitures called for upfront buyers, 19 consisted of post-order divestitures, and two involved both an upfront buyer and a post-order divestiture in different markets. Under these 79 orders, the Commission approved 121 buyers; 79 of them were upfront, and 42 were post-order. The majority of the divestitures to upfront buyers were of selected assets; the majority of the post-order divestitures were of ongoing businesses.

FIGURE 3: Orders by Buyer Timing



The orders were divided into three groups based on staff's experience with the affected industries, and were evaluated using three different methods: a case study method for 50 orders, questionnaire responses for 15 orders affecting certain industries, and an assessment of 24 orders affecting the pharmaceutical industry using internal and publicly available information and data.

A. Case Studies

FTC staff reviewed 50 orders using a case study method consisting of interviews of market participants and analysis of limited sales data obtained from almost all significant competitors in each market. The orders covered 184 relevant markets, the widest range of markets of the three parts of the study, including chemicals, medical devices, databases, manufacturing products, consumer goods, oil and gas pipelines and terminals, satellites, road salt, and batteries. The goal of this part of the study was to interview each respondent, the buyers of divested assets (if divestiture was required), and various other competitors and customers in each relevant market. All told, FTC staff interviewed almost 200 market participants.

In addition, the Commission issued nearly 200 orders under Section 6(b) of the FTC Act, 15 U.S.C. § 46(b), requesting information from significant competitors in each of the relevant markets covered by most of the 50 orders.[18] The Section 6(b) orders sought annual sales data, in dollars and units, for each relevant market over a seven-year period—three years before the remedy, the year of the remedy, and three years after the remedy. Nearly all significant competitors in each market for which information was sought provided data. Staff analyzed all data obtained and calculated market shares before and after the transactions. The evolution of these shares provided another source of information about the effect of the remedy on competition in the affected markets and, for divestitures, the success of the buyers. Section IV discusses this analysis in more detail.

B. Questionnaires

Staff examined another 15 orders by requesting responses to focused questionnaires. These orders involved divestitures of supermarkets, drug stores, funeral homes, dialysis clinics, and other healthcare facilities. The Commission has conducted numerous investigations involving these industries and has imposed merger remedies in many of these investigations. As a result, the Commission understands the way competitors operate and what a viable divestiture package needs to include. Additionally, in a number of these industries, it was not practical to interview customers, many of whom are individual consumers. Instead of interviewing buyers and other market participants, staff sent questionnaires to the 43 buyers that acquired assets under these orders, focusing on several areas in which questions have arisen in the past about remedies in these industries: the due diligence process, the scope of the asset package, transitional services, and post-divestiture operations. Compliance with the questionnaire was voluntary. Twenty-seven buyers responded to the questionnaire either in writing or through an interview. Section V summarizes staff's findings.

C. Orders Affecting the Pharmaceutical Industry

The remaining 24 orders involved mergers in the pharmaceutical industry, most of which concerned prescription generic drugs. Other product markets covered were prescription branded drugs, over the

[18] The FTC did not send 6(b) requests where staff determined that sales data would not add in a meaningful way to staff's analysis.

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counter drugs, and animal health drugs. The Commission has developed significant expertise in the pharmaceutical industry and follows a standard approach for evaluating these mergers and designing relief. In pharmaceutical orders, the Commission typically appoints an interim monitor to oversee the transfer of technology and production assets and to provide periodic reports to the Commission. The monitors' confidential reports contain information on how the respondents have complied with their obligations under the order, as well as updates on the buyers' progress securing FDA approval with the divested assets. Staff reviews these reports and frequently contacts monitors and buyers for additional information. Publicly available industry information, including FDA publications, also helps staff monitor FDA approval of buyers' drug products post-divestiture.

For this part of the study, staff compiled all relevant publicly available information, interviewed various highly experienced divestiture monitors, and conducted an in-house evaluation of the 24 pharmaceutical orders. Section VI summarizes the information reviewed and staff's conclusions.

III. The 1999 Divestiture Study

The 1999 Divestiture Study evaluated Commission merger orders from 1990 through 1994 that required a divestiture to remedy the anticompetitive effects of unlawful horizontal mergers. It excluded orders in vertical mergers, non-structural remedies in horizontal mergers, and several industry-specific orders. Staff employed a case study method for the 35 orders it evaluated, and sought to interview on a voluntary basis all buyers of the divested assets, respondents, and monitors. The overall goal was to determine whether the buyers of the divested assets had successfully acquired the assets subject to the divestiture order and were operating in the relevant markets. Thirty-seven of the 50 buyers agreed to talk to Bureau of Competition and Bureau of Economics staff, who also interviewed eight respondents and two Commission-ordered monitors. Staff requested sales data and limited financial information from buyers on a voluntary basis, but few participants submitted the requested data or information.

Through that study, staff determined that "most divestitures appear to have created viable competitors" in the relevant markets.[19] Staff also concluded that reliance on prospective buyers of divested assets to assist in determining the scope of the assets to be divested, though important, was sometimes misplaced. Buyers were not always knowledgeable enough about the market to reliably inform the proper scope of assets. In addition, a prospective buyer was often unwilling to ask for additional assets or assistance it might need out of fear of losing the deal or appearing less desirable as a buyer. Staff also learned that respondents often recommended marginally acceptable buyers and, on some occasions, engaged in post-divestiture strategic behavior aimed at minimizing the competitive impact of the buyer's entry into the market. Finally, the study highlighted that buyers frequently chose not to bring issues to the attention of FTC staff until it was too late to effectively resolve them, if they brought them to the attention of staff at all.

Based on this learning, the Bureau of Competition recommended changes to the divestiture process even before it had completed its study. The Commission began imposing a shorter divestiture period—reducing the amount of time from a year or more to four to six months—to reduce the time respondents

[19] 1999 Divestiture Study at 8.

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held the assets to be divested; requiring upfront buyers more frequently to ensure that there were buyers for the package of assets to be divested; and, in technical markets or in orders that raised complex questions, more frequently requiring the appointment of an independent third party to monitor compliance.

FTC staff broadened its own due diligence so as not to rely principally on input from prospective buyers as to the scope of the divestiture package, by also soliciting input from other market participants, customers, and suppliers. Staff also began a more in-depth review of proposed buyers, including requiring prospective buyers to submit detailed written business and financial plans for the divested assets. In addition, the Bureau of Competition posted guidance concerning the remedy process on the FTC's website in an effort to make the process more transparent. Staff also ensured that they were accessible to buyers and encouraged them to reach out if issues arose. Finally, staff began conducting informal follow-up interviews with buyers of divested assets after the divestiture to see how the buyer was doing.

The improvements implemented as a result of the 1999 Divestiture Study continue to be a part of the Commission's remedy process today.

IV. FTC Orders Evaluated Using the Case Study Method

In this study, Commission staff evaluated 50 of the 89 Commission merger orders from 2006 through 2012 using the case study method, which compiled information obtained from interviews of respondents and other significant participants in each relevant market, including buyers if assets were divested, other competitors, and customers. Staff corroborated that information with market share information derived from the sales data obtained from significant competitors.

A. Overview

Commission staff evaluated the 50 case study orders in two ways. As described in more detail below, staff evaluated the competitive success of each remedy by determining whether the remedy had maintained or restored competition in the relevant market. The Commission's remedial goal for all merger actions is to prevent or eliminate the likely anticompetitive effects of a merger, maintaining the competition that would have been lost, or restoring the competition that was lost, from the merger.[20] Determining the success of an order, therefore, began with the broad question of whether the Commission's remedy had maintained or restored competition. Answering that question required understanding how market participants, including major customers, the respondent, the buyer of divested assets, and other competitors viewed the market post-divestiture. Staff used the information

[20] In vertical mergers, because the effects are not due to the actual loss of a competitor, the goal is to remedy the likely anticompetitive effects that would occur due to the vertical relationship that results, including the respondent's ability to foreclose competitors' access to a critical input or its ability to obtain confidential information about a competitor.

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obtained in interviews together with market shares calculated using sales data to evaluate the success of the remedies.

The study showed that most of the Commission's remedies succeeded. Buyers typically acquired the assets needed to compete in the market and, with those assets, replaced the competition that would have been lost or had been lost as a result of the underlying merger. Customers told staff that buyers represented viable competitive alternatives to the respondents, and competitors confirmed that the buyers were competing in the relevant markets. The data corroborated their views.

That most remedies succeeded supports the Commission's general approach to merger remedies.[21] The Commission most often addresses the horizontal effects of mergers that harm competition in one or more relevant markets by ordering a divestiture. The study showed that the divestiture of assets comprising an ongoing business, which the Commission prefers, poses little risk. It also showed that it may be possible to remedy anticompetitive consummated mergers under certain, limited circumstances although the difficulties inherent in separating commingled assets to recreate a viable competitor are always a concern. Moreover, the four- to six-month divestiture period for post-order buyers introduced following the 1999 Divestiture Study—in contrast to the pre-1999 one-year or longer divestiture period—did not appear to have undercut respondents' ability to find approvable buyers. The appointment of independent third parties to monitor compliance with technical orders or those involving complex industries also appeared to have helped limit risks.

As part of its inquiry, staff also asked questions focusing on the process used to implement merger remedies. First, did the buyer of the divested assets obtain the assets required to be divested and all the ancillary rights and assistance required by the order? Second, did the buyer, or other market participants, have concerns about the process itself that staff should address in future matters? Staff explored these and related questions in the interviews with buyers and other market participants and examined whether the concerns raised may have affected the remedies' success. Although the interview responses supported the overall effectiveness of the Commission's remedy process, there were several significant findings, which are discussed in more detail in Section IV.D. and addressed in the Best Practices discussion in Section VII.

[21] The Bureau of Competition has provided guidance as to these policies on the Commission's website, and Commissioners and BC representatives have made speeches, written articles, and issued statements reflecting these policies over the years. *See, e.g.*, Fed. Trade Comm'n, Bureau of Competition, *Frequently Asked Questions About Merger Consent Order Provisions*, https://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/mergers/merger-faq; Fed. Trade Comm'n, Bureau of Competition, *Statement on Negotiating Merger Remedies* (Jan. 2012), https://www.ftc.gov/tips-advice/competition-guidance/merger-remedies; "Retrospectives at the FTC: Promoting an Antitrust Agenda," Remarks of Chairwoman Edith Ramirez, ABA Retrospective Analysis of Agency Determinations in Merger Transactions Symposium, George Washington University Law School, Washington, DC, June 28, 2013; "The Significance of Consent Orders in the Federal Trade Commission's Competition Enforcement Efforts," Remarks of Deborah L. Feinstein, Director, Bureau of Competition, GCR Live, Sept. 17, 2013.

B. Description of the Orders

Table 1 summarizes the number and percent of orders by the type of merger and remedy imposed in the order.[22]

TABLE 1: Orders by Merger and Remedy Types

		Remedy Type	
		Structural	Non-Structural
Merger Type	Horizontal (46)	87%	13%
	Vertical (4)	0%	100%
	All (50)	80%	20%

As Table 1 shows, 80% of the 50 mergers were horizontal and remedied with structural relief.[23] All the vertical mergers were remedied with non-structural relief, while 13% of the horizontal mergers were also remedied with primarily non-structural relief. As will be discussed in more detail below, of the 46 horizontal mergers, ten were consummated; all of the vertical mergers involved non-consummated mergers.

Table 2 lists the characteristics discussed in this study, and, for the 40 structural remedies, shows the number of orders in which those characteristics occurred with respect to at least one market remedied by the order.[24] For some orders that cover multiple markets, there was an upfront buyer for some markets and a post-order buyer for other markets. Those orders are counted as having both an upfront buyer and a post-order buyer; therefore, the percentages in the table add up to more than 100%. The same was true for the type of asset package. Various orders covered multiple markets and required divestiture of an ongoing business in some markets and selected assets in others, resulting in the percentages in the table adding up to more than 100%.

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[22] Many orders involved multiple markets, and sometimes also involved different types of remedies in the different markets covered by the order. Thus, categories may contain fractional orders; for example, for an order with two markets and a structural remedy in one market and a non-structural remedy in the second, the category count of structural and non-structural remedies will each be 0.5. *See* Section IV.C.3. for a more complete description of this order measure.

[23] Two instances where the parties restructured the underlying merger before an order issued are classified as structural remedies, and two orders that required respondents to take steps to facilitate entry are classified as non-structural remedies. Table 1 shows that 80% of orders required structural relief, and all of these were horizontal.

[24] These characteristics are present in the orders, but the Commission may not have necessarily implemented them. For instance, 74% of the orders allowed the Commission to appoint a monitor, but the Commission did not appoint one in cases where it ultimately determined a monitor was unnecessary.

TABLE 2: Characteristic Counts and Percentages for Structural Remedies

Buyer Timing	%
Upfront Buyer	69%
Post Order Buyer	33%
Package Type	
Ongoing Business	40%
Selected Assets	67%
Other Characteristics	
Supply Agreement	48%
Transition Services	57%
Monitor	74%
Hold Separate Order	24%
Asset Maintenance Order	52%

About two-thirds of the 40 orders involving structural remedies had an upfront buyer. Merging parties divested selected asset packages in 67% of orders compared to 40% in which they divested ongoing businesses. About one-half of orders included a supply agreement provision that required the respondent to supply the buyer of the divested assets with a product (or input into production) at agreed-upon terms for a certain period. Nearly 60% of the orders included provisions requiring transition services, i.e., provisions in the order requiring the respondent to provide certain defined services to the buyer for a specified period.[25]

Table 2 shows that 74% of orders in the case study group included an option to appoint an independent third party to monitor certain provisions of the order.[26] The Commission issued hold separate orders and asset maintenance orders in 24% and 52% of the orders, respectively.[27]

C. Determining Whether a Remedy Succeeded

As discussed above, staff evaluated each remedy in two ways. The first was competitive outcome: whether the Commission successfully restored competition to, or maintained competition at, its pre-merger state. The second was procedural: whether interviewees revealed concerns about the

[25] It is important to note that many of the characteristics in Table 2 were not independent of each other. For example, 82% of orders involving selected assets were in remedies that required an upfront buyer, while 63% of orders involving ongoing businesses were divested to post-order buyers.

[26] Most of these characteristics were not applicable to non-structural remedies. One characteristic that often appears in non-structural remedies, however, is the use of monitors. The option to appoint a monitor was included in 97% of orders that involved non-structural remedies.

[27] Hold separate orders may also include asset maintenance obligations.

Commission's remedy practices. In addition, staff combined these analyses to determine whether remedy process concerns affected outcomes. Discussed below are the standard used for judging success and the resulting analysis.

1. The Standard for Judging Success

The goal of any remedy is to preserve fully the existing competition in the relevant markets at issue, and each remedy was assessed based on the extent to which it achieved this goal.[28] The study assessed whether the remedy achieved the Commission's goal based on the following standards: success, qualified success, and failure.

- A remedy was rated as a success if competition in the relevant market remained at its pre-merger level or returned to that level within a short time (two to three years) after the Commission issued the order.

- A remedy was rated as a qualified success if it took more than two to three years to restore competition to its pre-merger state, but ultimately did so. Qualified successes also included markets in which buyers of assets were relatively quickly competitive, but for whom continuing success was difficult because of market shocks or situations in which the market evolved in a way not anticipated by the order.[29]

- A remedy that did not maintain or restore competition in the relevant market was rated as a failure. Failures happened either because the buyer of the assets never produced the product, or because the buyer (or possibly an expanded fringe competitor or a new entrant in the case of a non-structural order) never attained the competitive effectiveness of the pre-merger owner of the divested assets.

[28] The Commission has broad discretion to impose remedies for acquisitions that are likely to substantially lessen competition in violation of Section 7 of the Clayton Act. *See, e.g.*, Polypore Int'l, Inc. v. FTC, 686 F.3d 1208, 1218-19 (11th Cir. 2012); Chicago Bridge & Iron Co. N.V. v. FTC, 534 F.3d 410, 441 (5th Cir. 2008); Olin Corp. v. FTC, 986 F.2d 1295, 1307 (9th Cir. 1993); Ekco Prods. Co. v. FTC, 347 F.2d 745, 753 (7th Cir. 1965).

[29] This assumes that the original owner of the assets would have been better able to anticipate and attend to these market changes. This but-for assumption cannot be tested.

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2. The Method Used to Determine Whether a Remedy Was a Success

Evaluating a remedy's success required a comparison of competition (the competitive dynamic) in the pre-merger period with that in the post-remedy period.[30] Information from the underlying investigation of the matter allowed for assessing pre-merger competition in the relevant markets.

To gauge changes in competition post-order, staff identified significant customers and competitors for each matter and market, relying in part on the customers and competitors that the investigative team had identified and interviewed in the underlying investigation. Staff re-interviewed a select number of them, focusing on the competitive dynamics in the relevant market and, for those remedies involving a divestiture buyer, whether the buyer competed as effectively as the previous owner of the divested assets.[31] Staff focused on many of the same topics on which the investigative team had focused, including how firms competed in the relevant markets and customers' views on the strength and weaknesses of the various competitors. Staff also obtained sales information from significant market competitors, calculated market shares for many of the matters and markets, and used those market shares in conjunction with the information garnered in the interviews to evaluate the success of the remedy.

The method for evaluating success differed slightly for horizontal and vertical mergers, and for structural and non-structural remedies, because of the differing remedial approaches taken by the Commission to restore competition. For horizontal mergers with a structural remedy, the focus was the competitive significance of the buyer of the divested assets (i.e., the new competitor created by the Commission's order). The principal question was whether the buyer maintained the competition that existed in the market before the merger. For horizontal mergers with a non-structural remedy, staff attempted to determine whether the conditions created by the order to enhance the possibility of growth by smaller market incumbents or to promote entry appeared to work by evaluating both incumbent growth and new entry. Finally, for vertical mergers, where non-structural remedies, such as firewalls, were designed to inhibit behavior that could facilitate vertical foreclosure or the sharing of confidential business information, staff focused on, among other questions, whether respondents effectively monitored and enforced them. Despite these differences across order types, in all cases staff compared post-order competition to that in the pre-order period to determine whether the order maintained competition.

[30] The correct comparison for evaluating the success of the remedy entails comparing the post-order period with the remedy to the but-for world of the post-order period without the merger, i.e., the merging parties both competing. Interview techniques do not allow for construction of that but-for world; therefore, staff assumed that competition would remain generally the same as in the pre-merger period had the merger not occurred. That is, for purposes of the study, the pre-merger world is treated as the but-for world.

[31] Topics covered during interviews with competitors and customers are available on the FTC's website, https://www.ftc.gov/policy/studies/remedy-study.

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3. Measuring Results

For orders that addressed competitive harm in multiple markets, the characteristics and ultimate success of a remedy may differ across the affected markets. To account for this, staff used two different measures to count remedies when classifying them.[32]

- **Orders.** The first measure was to count the number of orders, referred to as the order measure. Some orders involved multiple markets where the classification of the order differed across markets. In these cases the category count was increased by the share (or fraction) of markets belonging to the particular classification. For example, if an order covered two markets, one where the remedy was structural and one where it was non-structural, staff counted this as half a structural order and half a non-structural order. Staff used the same approach when the success of a remedy varied across the different markets covered by the order.[33]

- **Buyers.** The second way, applicable only to remedies involving divestitures, counted the number of buyers, referred to as the buyer-outcome measure. In the forty orders requiring divestitures, the Commission approved 46 different buyers. Two were counted twice, however, because each acquired two different asset packages to remedy two different markets, with different results in each. Counting them twice brought the total number of buyer-outcomes to 48. Other buyers that acquired different asset packages to remedy effects in different markets were counted only once because the outcome was the same in each market.

4. Remedy Outcomes

Table 3 presents the remedy outcomes.[34] The first row includes all 50 orders, while the second row includes the 46 orders involving horizontal mergers. Because there are no buyers for non-structural orders or for orders involving restructured transactions, for these groups the results are reported using only the order measure. Overall, the results show that 83% of orders were at least a qualified success, while 17% failed because they did not maintain the level of pre-merger competition.[35]

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[32] A third alternative would have been to measure results at the remedied market level. For orders that remedy competitive harm in multiple markets, however, the characteristics and ultimate success of any remedy are likely similar across the different markets within the same matter, especially when the same product is involved but there are different geographic markets. Presenting results at the level of the relevant market would, therefore, overstate the impact of matters involving multiple markets.

[33] For example, if an order involved three markets, two of which were rated as successes and the third was rated as a qualified success, the count of orders that were successful increased by 2/3 while that for qualified successes increased by 1/3. This ensured that each order was counted only once and that all markets within the order were represented; however, it led to fractional counts in some tables.

[34] All vertical merger orders were judged successful.

[35] Twenty-four of the 50 orders were issued between 2006 and 2009, overlapping with the financial downturn in the economy. It is notable that 94% of the orders issued during this period were successes or qualified successes.

TABLE 3: Remedy Outcomes[36]

	Remedy Outcome		
Type	Success	Qualified Success	Failure
All (50)	69%	14%	17%
Horizontal (46)	66%	15%	19%
Horizontal, Structural (40, 48)*	66%, 65%	15%, 15%	19%, 20%
Horizontal, Structural, Non-Consummated (32.3, 39)*	75%, 74%	6%, 7%	19%, 18%

(*orders, buyers)

The last two rows of Table 3 show outcomes for horizontal mergers with structural remedies and horizontal non-consummated mergers with structural remedies. For these subsets, the results reflect the order measure followed by the buyer-outcome measure. For horizontal mergers remedied with structural relief, the order measure shows that 66% of the remedies successfully maintained competition at pre-merger levels, while another 15% were qualified successes. The remedy failed in 19% of the orders evaluated. When measuring success by buyer-outcome, 65% of the buyer-outcomes were successful; 15% were a qualified success; and 20% failed. The last row of Table 3 excludes consummated mergers. While the subset of orders excluding consummated orders has a higher percent of orders judged a success than other subsets, the percent of orders judged at least a qualified success (81%) is similar.

5. Anticompetitive Effects of Consummated Mergers Can Be Successfully Remedied under Limited Circumstances

When a merger is consummated prior to antitrust review, the Commission may face significant challenges in crafting a remedy to resolve competitive concerns, depending on the status of the assets already combined into a single entity. It may be particularly difficult to restore the pre-merger state of competition if the merging parties have commingled, sold, or closed assets; integrated or dismissed employees; transferred customers to the merged entity; or shared confidential information. In these situations, remedial options may be severely limited, irrespective of whether the Commission accepts a consent order or seeks a remedy in court or in an administrative proceeding. Despite the challenges, the

[36] When evaluating the effectiveness of the Commission's remedy policy, results for "All" and "Horizontal" should be treated with caution because they may pool together mergers requiring remedies with different characteristics. For example, vertical mergers raise distinct concerns and require different remedies compared to horizontal mergers. Also, the remedy options for consummated mergers can be more limited than for unconsummated ones, as is discussed later in the report.

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Commission required remedies for anticompetitive consummated mergers included in the case studies, and staff examined whether those remedies succeeded. Given the differences in remedying consummated versus non-consummated mergers, staff analyzed results separately for consummated mergers. Table 4 shows the results for all horizontal mergers remedied with structural relief, separately for consummated and non-consummated mergers.

Ten orders involved situations where the remedies were imposed post-consummation. Eight of these ten orders required divestitures, and nine buyers were approved under those eight orders. The two remaining orders did not require divestiture but required respondents to eliminate restrictions in their contracts with customers and employees that had prevented entry; in both of these orders, entry subsequently occurred, restoring lost competition.

TABLE 4: Remedy Outcomes for Horizontal Mergers with Structural Relief

	Remedy Outcome		
Type	Success	Qualified Success	Failure
Horizontal, Structural, Non-Consummated (32.3, 39) *	75%, 74%	6%, 7%	19%, 18%
Horizontal, Structural, Consummated (7.7, 9)*	26%, 22%	52%, 44%	22%, 33%

(*orders, buyers)

For consummated horizontal mergers, 26% were a success, 52% were a qualified success, and 22% failed, when using the order measure. When analyzing results by the buyer-outcome measure, 22% of buyers were successful, 44% were a qualified success, and 33% were failures in consummated structural orders.

Factors that contributed to the success of some remedies in consummated mergers included the lack of integration of the assets post-merger and the ability to alter contracts to facilitate the buyer's entry. In contrast, resurrecting a business when the assets were commingled post-merger was much more difficult and the remedy often failed.

6. Identifying Remedy Process Concerns

During the interviews, buyers of divested assets and occasionally other market participants discussed concerns that arose during the process. In most cases, the concerns did not prevent a buyer from competing in the market, although, in some cases, they may have delayed the buyer's entry or increased its costs. In evaluating the process with respect to each remedy, concerns were considered significant if they affected or could have affected the remedy's success in meeting the remedial goals of the order.

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Table 5 presents the percentage of orders that had remedy process concerns for the different subsets of orders.[37] The first row includes all 50 orders. The results show that remedy process concerns arose in fewer than half of the orders.[38]

TABLE 5: Remedy Process Concerns

	Remedy Process Concerns	
Type	No	Yes
All (50)	58%	42%
Horizontal (46)	54%	46%
Horizontal, Structural (40)	54%	46%
Horizontal, Structural, Non-Consummated (32.3)	59%	41%

7. Relationship between Remedy Process Concerns and Outcomes

Staff categorized every market in each remedy by combining the evaluation of the competitive success with the presence or absence of significant process concerns. Accordingly, there were six possible categories for each remedy:

- Success/no significant process concerns
- Success/process concerns
- Qualified success/no significant process concerns
- Qualified success/process concerns
- Failure/no significant process concerns
- Failure/process concerns

[37] Vertical merger remedies raised no reported process concerns.

[38] Staff does not know the extent to which such concerns arise in more typical arm's length transactions in which the FTC is not involved.

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Table 6 presents remedy outcomes for all 50 orders combined with the presence or absence of significant remedy process concerns using the order measure. Specifically, these results address the frequency of remedy outcomes given that the matter either had, or did not have, remedy process concerns. Table 6 shows that for matters for which there were no remedy process concerns, 85% of orders were successes or qualified successes. These results show that, although the failure rate was slightly higher where process concerns were identified, many remedies that experienced process concerns nevertheless succeeded, either fully or in a qualified manner.

TABLE 6: Remedy Outcomes and Presence or Absence of Process Concerns

Ratings		Remedy Outcome		
		Success	Qualified Success	Failure
Process Concerns	No	78%	7%	15%
	Yes	56%	24%	20%

D. Specific Concerns Regarding the Remedy Process

As discussed above, most of the Commission's remedies in the 50 orders examined using the case study method were successful, supporting the Commission's general approach to merger remedies. But the interviewees did raise some specific concerns about the Commission's practices relating to designing, drafting, and implementing its remedies. Although these concerns did not generally prevent buyers from maintaining competition in the relevant markets, as shown in Table 6 above, addressing these concerns would improve the remedy process and could improve the success rate of Commission orders. This section discusses these concerns, classifying them in three categories: defining the scope of the asset package, selecting the buyer, and implementing the remedy.

1. Defining the Asset Package

a. Introduction

The study found that all divestitures of ongoing businesses succeeded, whether the divestiture was to an upfront buyer or a post-order buyer. This finding reinforces what the Commission and staff have long known: divestiture of an ongoing business, which includes all assets necessary for the buyer to begin operations immediately, maximizes the chances that the market will maintain the same level of

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competition post-divestiture. In other words, these divestitures pose little risk. That was the conclusion drawn in the 1999 Divestiture Study,[39] and this study confirmed it.

Although the Commission prefers divesting an ongoing business, respondents often offer to divest a more limited package of assets, which they assert will provide the right buyer with the necessary assets to maintain or restore competition in the relevant market. In general, the scope of selected asset packages varies widely. The selected assets may include everything but a manufacturing facility, which the right buyer will already have, or they may include only intellectual property that will enable a buyer to overcome barriers to entry. With such a selected asset package, the buyer could overcome entry barriers but may not necessarily replace the lost competition quickly. The buyer will need to integrate the divested assets into its own operation or make additional arrangements with third parties. These uncertainties inject risk into the remedy that does not exist when divesting an ongoing business that has operated successfully in the past.

Staff carefully scrutinizes these proposals and attempts to ensure that selected asset packages include all assets necessary to facilitate the buyer's entry into the relevant market. Since the last divestiture study, the Commission has typically required an upfront buyer when the asset package is less than an ongoing business to minimize the risk of failure. Identifying an upfront buyer ensures that an approvable firm exists to acquire the defined assets. It does not, however, guarantee that the identified buyer will or can become a robust competitor. As Table 7 reflects, the majority of selected asset divestitures succeeded. Even with an upfront buyer, however, they succeeded at a lower rate than divestitures of ongoing businesses.

TABLE 7: Remedy Outcomes for Horizontal, Structural, Non-consummated Mergers, by Asset Package

	Remedy Outcome		
Asset Package	Success	Qualified Success	Failure
Ongoing Business (14.3, 14)*	100%, 100%	0%, 0%	0%, 0%
Selected Assets (18, 25)*	56%, 60%	11%, 12%	33%, 28%
All (32.3, 39)*	75%, 74%	6%, 7%	19%, 18%

(*orders, buyers)

[39] In the earlier study, "[o]f the 37 divestitures that were studied, 22 were of assets that comprised an on-going business. Of those 22, 19 were viable in the relevant market virtually immediately after the divestiture…. Of the 15 divestitures of selected assets, nine resulted in viable firms." 1999 Divestiture Study at 11-12. The earlier study concludes that "divestiture of an on-going business is more likely to result in a viable operation than divestiture of a more narrowly defined package of assets and provides support for the common sense conclusion that the Commission should prefer the divestiture of an on-going business." *Id.* at 12.

b. Divestiture of an Ongoing Business Poses Little Risk

Fifteen orders in the study required divestiture of an ongoing business to 15 buyers equally distributed between upfront and post-order buyers. All of these divestitures of ongoing businesses succeeded and raised few concerns. The orders defined the asset packages properly to include all necessary assets, including, in several orders, out-of-market assets. The transition from respondents to buyers in these divestitures tended to be straightforward. Employees remained with the businesses, and customers continued to purchase the divested products resulting in little change in the relevant markets other than ownership.

Although successful, several buyers of ongoing businesses raised remedy process concerns relating to back-office functions. One buyer said it took longer to transition back-office functions than anticipated. Another had difficulties transitioning information technology systems. In none of these cases were the difficulties serious enough to interfere with the operations of the ongoing business.

c. Divesting Selected Assets Poses More Risk than Divesting an Ongoing Business, Even With an Upfront Buyer

Twenty-eight orders required the divestiture of 33 packages of selected assets to 32 different buyers.[40] Nine of the buyers of selected assets succeeded with few, if any, difficulties. Seven were upfront buyers; two were post-order. Divestitures of selected assets tended to succeed when buyers had similar existing operations, were knowledgeable about the relevant markets, and were familiar with customers. In some cases, the buyers possessed similar manufacturing facilities prior to the divestiture or had a complementary product line into which the divested business could easily fit. Successful buyers also acquired brand names, and key employees were transferred.

Fourteen additional buyers of selected assets succeeded to varying degrees but experienced complications. Eleven were upfront buyers; three were post-order. Some suffered from unanticipated gaps in the order or the purchase agreement, but these buyers were largely able to adjust their business plans to address these gaps and move forward. For example, one buyer noted that the order required a supply agreement, but did not specify where the respondent had to deliver the supplied product. As a result, the respondent delivered the product to a site that inconvenienced the buyer. Another buyer raised concerns about the limitations placed on its use of the intellectual property it acquired.

Some buyers identified limitations with respect to the scope of the asset package. One buyer felt that the respondent was able to bundle multiple related products, which the buyer could not do with its more limited product line, hindering its ability to compete for customers. Another buyer also stated that it was disadvantaged because it lacked a full line of products to compete with respondent. These buyers ultimately competed in the market, but they believe it took them longer than it might have with a fuller line.

[40] Seven of these 28 orders addressed the effects of mergers that were consummated when the Commission orders issued; the Commission approved eight buyers under these seven orders.

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In nine orders requiring divestiture of selected assets to ten buyers, the divestitures did not maintain competition. All involved upfront buyers. The reasons why the divestitures failed vary. In some cases, the selected asset package may have been too limited, preventing these buyers from competing with respondents offering a wider range of products, a difficulty the buyers could not overcome. In others, brand loyalty was greater than had been anticipated and the divestiture of only selected assets was insufficient to persuade customers to switch. In one case, operating the business using the divested assets as a new entrant in one market was so different from the buyer's operations in other markets that the buyer quickly exited the relevant market. Finally, in another case, employees and inventory did not transfer with the selected assets, and the buyer was unable to hire the right employees or obtain inventory under advantageous terms.

2. Selecting the Buyer

Under any order requiring a divestiture, the respondent's obligation is to divest to a buyer that the Commission approves. The 1999 Divestiture Study revealed that respondents sometimes proposed marginally acceptable buyers unlikely to offer robust competition. This study shows that respondents are now proposing stronger buyers that, in most cases, fully satisfy the Commission's criteria. Overall, respondents proposed buyers that were familiar with the market, dealt with many of the same customers and suppliers, had developed thoughtful business plans with realistic financial expectations and sufficient backing, and were well received by market participants.

A proposed buyer's commitment to the market is also essential. Although this can be difficult to assess, the Commission routinely attempts to do so by evaluating the proposed buyer's business plans for the divested assets as well as its historical results. The Commission looks for current involvement in adjacent or related markets, past efforts to enter the same or related markets, and the proposed buyer's employees' involvement with and knowledge of the same or related markets.

The Commission also examines the buyer's financial commitment to the market. It routinely evaluates the ability and means by which the proposed buyer intends to finance the acquisition of the assets, as well as its plans to compete in the market. The Commission examines any outside sources of funds, including private equity and investment firms, and the extent of their involvement and financial commitment. The study revealed that there were cases where the buyer's flexibility in investment strategy, commitment to the divestiture, and willingness to invest more when necessary were important to the success of the remedy. There were also cases where a buyer's lack of flexibility in financing contributed significantly to the failure of the divestiture.

3. Implementing the Remedy

Defining the package of divestiture assets and selecting the buyer are the most critical elements of a divestiture remedy. But interviewees contacted during the study raised concerns, many unforeseen at the time the orders were issued, with respect to other factors involved in the implementation of the remedy, specifically: the buyer's ability to conduct adequate due diligence; the transfer and retention of customers; and respondent's obligation to provide supply, transition services, and employee access. In addition, the study confirmed the importance of hold separates, but market participants raised some questions about the operation of the business during the hold separate period.

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a. Due Diligence

Due diligence concerns are particularly troublesome in the divestiture context because of the expected competitive rivalry between the buyer and seller post-divestiture. In a more typical arm's length transaction, the seller cedes its position in the market and therefore may be more cooperative in resolving issues that arise during the process, especially because more complete due diligence can lead to a higher sales price. In a Commission-ordered divestiture, however, the buyer and seller will compete after the sale, and there are many reasons why the seller might not cooperate in resolving issues. It is thus critically important that the buyer conduct adequate due diligence to avoid surprises.

In both upfront and post-order divestitures, staff asks proposed buyers about their access to data, facilities, and employees during the divestiture process. Buyers have not typically raised problems with staff during the divestiture process itself. In the study, most buyers were satisfied with the due diligence process, but several buyers did raise concerns ranging from a lack of time for adequate due diligence to a lack of access to facilities and employees.[41] One buyer needed additional due diligence to enable it to learn major customers' buying patterns, which turned out to be a significant obstacle to winning sales. Some buyers did not have access to employees who understood the relevant products. Several other buyers of selected assets lacked adequate financial information—notably cost information—because the assets to be divested did not constitute a separately reporting business unit and the respondents had produced only pro forma, unaudited, financial statements.

The majority of these concerns arose in upfront divestitures of the acquired firm's assets. In several of these cases, the acquiring firm's counsel led the negotiations and buyers viewed the acquiring firm's counsel as limiting their access to information, facilities, and employees.

b. Attracting and Retaining Customers and Other Third-Party Relationships

Some divestiture buyers were unable to attract or retain customers. This failure sometimes resulted from a misunderstanding of customer buying behavior. In one case, customers evaluated suppliers of the relevant product only every few years. Because respondent had a broader portfolio of products, it made sales calls on important customers more frequently than the buyer, which had only the divested product, allowing the respondent to maintain closer relationships with customers who also purchased the relevant product. Another buyer anticipated slow growth because customer contracts in the relevant product opened only every few years. In another divestiture, sales were cyclical, and the buyer missed the year's buying cycle and could not make sales for almost another year.

Several buyers in the case study underestimated the strength of brand loyalty and the difficulty customers encountered in switching suppliers. In one case, the buyer did not receive the rights to either brand name from the merging parties and could not attract customers, even after lowering its price. For other buyers, the divestiture required that customers requalify the product, which delayed their efforts to win customers. Buyers that succeeded did so because they were able to solicit new customers when they were unable to persuade respondents' existing customers to switch.

[41] The previous study also raised concerns about the adequacy of buyers' due diligence. *See* 1999 Divestiture Study at 23, 32.

Because in some cases, customers might need to be persuaded to switch from a recognized supplier to a new one, some Commission orders imposed obligations on respondents aimed at encouraging customers to switch. Some orders required respondents to assign customer contracts to the buyer, and, if not assignable, to otherwise facilitate moving the customers to the buyer. In one such order, the respondent's efforts were not effective, but the buyer nonetheless was able to persuade customers to switch to it. Other orders required respondents to notify recently signed customers of their right to terminate their contracts early and without penalty or prohibited respondents from attempting to win back customers from the buyers by soliciting, inducing, or attempting to induce any customer transferred to the buyers pursuant to the order provisions for two years. Customers were most likely to switch when the buyers were familiar with the customers or had a prior relationship with them.

Sometimes the obstacles buyers faced stemmed from the need to rely on third parties in ways that were unknown at the time of the divestiture. In some cases, these third-party relationships complicated the buyers' abilities to compete, and, in certain cases, may have contributed to the buyers' failures. In several cases, the buyers needed approvals by governmental entities. In one case, this requirement slowed down the buyer's entry into the relevant markets despite the respondent's efforts to assist in the process. In another case, the respondent attempted to assist the buyer in securing third-party approvals, but the buyer was more adept at securing them than the respondent was because of its previous relationships with the regulators. In several cases, the buyer stepped into pre-existing relationships with third-party suppliers or landlords that may have included disadvantageous terms.

c. Other Obligations

Most merger orders impose additional obligations on the respondent beyond the divestiture to facilitate its success. For example, where a respondent is not required to divest back-office functions, it may be required to provide such services to the buyer on a transitional basis until the buyer can perform those functions on its own.

In orders requiring the divestiture of selected assets, when the buyer cannot enter the market immediately on its own, the respondent may be required to provide supply for a specific time while the buyer develops the capacity to produce the product or can independently source it from a third party. The respondent may also be required to supply a necessary input until the buyer can arrange to source it independently.

The Commission has always recognized that some of these additional obligations create short-term ongoing entanglements between the respondent and the buyer and has therefore tried to minimize them as much as possible in order to preserve competitive vigor between the two firms.[42] Buyers in the study expressed similar reservations with respect to continuing post-divestiture relationships with respondents. Several buyers said they wanted to terminate these obligations as quickly as possible, and, in at least one case, the buyer did not take advantage of post-divestiture supply obligations at all, specifically to minimize its dependence on the respondent. On the other hand, other buyers said that these agreements were too short.

[42] *See, e.g., id.* at 12-14.

i. Transition Services Agreements

When back-office functions are not part of the divested assets, a buyer must transition to its own systems or obtain them from a third party. Pending the transition, respondent is required to provide these services for a limited period. In most cases, the orders limited the time that respondent had to provide these services to a period staff determined was adequate but not so long as to perpetuate an undesirable continuing entanglement between the respondent and the buyer. Several buyers, however, said that, after they acquired the divested assets, they discovered they needed more time than anticipated to transition to their own systems, particularly when the transition required merging or replacing information technology systems.

ii. Supply Agreements

Many Commission merger orders require that respondents supply buyers with input or finished products for a specified period at no more than the cost incurred by the respondent. As noted above, supply agreements offer mixed incentives for buyers and respondents, and the study contained examples of the wide range of possible outcomes.

Supply agreements can provide the buyer with the ability to compete immediately in situations in which competition might otherwise be delayed or less effective; this was the typical outcome in matters that included these agreements. In one matter, the absence of a short-term product supply agreement may have slowed the buyer's competitive response. The buyer initially was unable to make significant sales of its own product and struggled as a competitor, in part because many large customers required lengthy product qualification testing before making purchases. Although the buyer eventually became a successful competitor, a short-term supply agreement with the respondent may have allowed it to compete more successfully while it obtained customer qualifications for its own product.

In a few instances, it appeared that buyers may have benefited from greater flexibility to lengthen the time respondents had to provide supply. Nevertheless, it is generally inappropriate to allow a buyer to become little more than a distributor for the respondent.

d. Hold Separate Orders

A hold separate order preserves the viability, marketability, and competitiveness of the assets to be divested pending divestiture. The hold separate order appoints individuals to oversee and manage the business independently of the respondent to eliminate the possibility that respondent can manipulate the assets pending divestiture.[43] It prevents the wasting or deterioration of the assets and the transfer of competitively sensitive information.

[43] In a standard hold separate order, the Commission appoints a hold separate monitor, appoints (or enables the monitor to appoint) a hold separate manager, and identifies employees whose responsibilities include the held separate business. The monitor is an independent third party that monitors respondent's obligations under the hold separate order and oversees both the hold separate manager and the overall business pending divestiture. The hold separate manager manages the hold separate business on a day-to-day basis and is typically the same employee that managed the business of the hold separate assets prior

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While hold separates for the most part succeeded, several buyers identified problems with the hold separate arrangement that may have diminished the competitiveness of the business during this period. One buyer believed that the hold separate business did not respond to market pressures, resulting in lost sales. Another buyer noted that the hold separate manager focused on production, not sales, and that even production occurred only on a per-order basis. This caused inventory depletion, which required the new buyer to quickly build up inventory to historical levels.

Another buyer indicated that it received outdated and inaccurate information about production and sales because the hold separate business had not updated the information in an accessible manner after the respondent closed on the underlying deal and transitioned its information to a single system. A different buyer could not identify historical customer prices and resorted to asking the customers what they had paid for the products.

Even when successful, buyers confirmed that the hold separate period can be a time of uncertainty. In particular, the risk of losing key employees during this period rises. While incentives paid to employees to remain during the hold separate period helped, they did not always ensure that important employees remained with the buyer after the divestiture. Another buyer found that the hold separate period was unsettling to employees and believed that the order's non-solicit provision, which prohibited respondent from re-hiring employees, helped retain employees. A monitor noted that the uncertainty around the business made it vulnerable to competitive pressure from rivals, especially during a critical renewal period that would determine the business's success in the following year.

Although respondents generally appeared to comply with their obligations under the hold separate orders, several respondents expressed concerns about order obligations. One respondent noted that the hold separate required it to negotiate additional transition services agreements and fulfill obligations under those agreements. Other respondents commented that, as is typical in any hold separate order, they had to establish systems that kept the hold separate employees from sharing information with respondents' other employees. They had to sequester employee teams and restrict organizational access and provide sophisticated employee training so that the employees understood the confidentiality provisions of the orders. Respondents indicated that segregating the appropriate information was difficult because, until implementation of the hold separate order, the same employees had been sharing information and technology with each other in a manner that the order now prohibited.

4. Communication

The interviews made clear that the remedy process could benefit from more communication among FTC staff, monitors when appointed, and buyers. Interviews with both buyers and monitors suggested that increased communication could help monitors be more effective. One buyer urged that staff more fully explain the monitor's role to the buyer and the circumstances under which the buyer should contact the monitor. Other buyers suggested that monitors should be encouraged to proactively and more regularly contact the buyers, rather than wait for buyers to raise problems. One monitor suggested that

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to the enforcement action. Hold separate managers frequently become part of the buyer's management team after the divestiture.

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respondents provide a business person point of contact, with decision-making authority to address concerns promptly.

Finally, the study also revealed that many buyers still do not raise concerns with staff or monitors when they arise. Some buyers appeared to have tried to overcome concerns without involving, or informing, the staff or the monitors. The 1999 Divestiture Study had a similar finding, and staff has attempted to be clear and consistent in advising buyers to contact staff if they have concerns that staff may be able to address. Therefore, staff was surprised to learn that buyers remain reluctant to raise concerns with them or with the monitors when they arise.

Overall, the interviews revealed the need for greater transparency regarding the remedy process. Specifically, participants suggested that the Commission publicize the criteria for approving buyers, for requiring buyers upfront, and for approving monitors.

V. Orders Examined Using Reponses to Questionnaires

Fifteen of the 89 orders in the study required divestitures of supermarkets, retail pharmacies, nuclear pharmacies, funeral homes and cemeteries, inpatient psychiatric hospitals, outpatient dialysis clinics, surgical centers, and imaging centers. As noted above, the Commission has considerable experience with remedies in these industries. Staff sent a focused questionnaire to each of the 43 buyers in these 15 orders. The questionnaire addressed several areas of concern, including the due diligence process, the scope of the asset package, transition services, and post-divestiture operations. It also asked for suggestions for improving the FTC merger remedy process. Compliance with the questionnaire was voluntary, and 27 buyers responded either in writing or through an interview.

Staff categorized a remedy as a success if the divested assets are still operating in the market identified in the complaint based on responses received and a review of publicly available sources. Thirty-four of the original 43 buyers continue to operate the divested assets, and some have even expanded, renovated, or otherwise improved those assets. Of the nine buyers that no longer own or operate the divested assets, five sold the assets to independent third-party firms that continue to operate the assets in the manner contemplated by the order. Overall, 39 of the divested businesses remain in the market.

Several buyers in different industries reported some of the same due diligence concerns as the case study buyers. They reported receiving limited information during the due diligence process or receiving information too late in the process. Some post-order buyers reported delays in the due diligence process, but attributed those delays to the process of working through a hold separate monitor rather than the respondent directly or because communications went through the acquiring firm even when the target held the assets pre-merger.

Buyers also reported concerns regarding the impact of an extended hold separate period on the competitiveness of the divestiture assets. This view is consistent with the Commission's concerns about extended hold separates and responses from buyers in the case studies. Several buyers noted that the lengthy hold separate period caused uncertainty among employees, resulting in low morale. Another buyer explained that a lengthy hold separate period can degrade the divestiture business making it more difficult for the business to continue as a viable competitor in the market.

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Finally, several buyers considered the amount of information the FTC required to complete its review of the buyers and approve the divestitures to be burdensome.

VI. Pharmaceutical Orders Examined Using Information Already Available to the Commission

The remaining 24 orders involved pharmaceutical mergers, primarily manufacturers of prescription generic drugs. The divestiture of products marketed by both parties to the merger at the time of the divestiture—on-market products—was considered successful if the buyer sold the product in the market post-divestiture. Staff determined that after divestiture, buyers sold about three-quarters of the divested products in the market. For each divestiture relating to pipeline products, i.e. products in development, the divestiture was considered successful if all assets relating to those products were successfully transferred.[44] Staff determined that the assets relating to those pipeline products were all successfully transferred.

Of the total products divested in the 24 orders, 60 were on-market products, sold by both parties to the merger at the time of the merger. When neither party to the merger manufactured the divested product, and instead relied on a third-party contract manufacturer, the divestiture of marketing or distribution rights allowed the buyer to immediately replace the selling firm. Of the 60 on-market products, 18 involved contract manufacturing that did not require transferring manufacturing capability. In each of these 18 cases, the buyer was assigned the selling firm's distribution agreement or it found a replacement third-party manufacturer with available supply capacity. For all divestitures of an existing marketing or distribution agreement that did not transfer manufacturing capabilities, the buyers continued to sell the product in the market.

Of the remaining 42 on-market products that required manufacturing transfer, 31 were in tablet or capsule form. Buyers of 24 of these products continued to sell the products in the market, but the buyers of the remaining seven did not. Several of the buyers that were unable to sell the products faced ingredient supply problems; in other cases, the buyers decided not to invest in post-divestiture production and never completed the transfer to market a product of their own.

Eleven of the 42 on-market products in the study that required manufacturing transfer involved more specialized production facilities than those for oral solids. Buyers were able to sell only three of these 11 products in the market.

Table 8 shows that, for all of the divestitures that involved a transfer of manufacturing capabilities, the buyer replaced the acquired firm as to 27 products and failed to do so as to 15 products.

[44] Staff did not attempt to assess whether the buyer of assets related to pipeline products replaced the acquired firm, in part because there was no but-for baseline from which to compare the buyer's efforts with those of the acquired firm, nor did staff measure success by determining if the buyer succeeded in launching a product.

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Table 8: On-Market Pharmaceutical Remedies

	Successful, no manufacturing transfer required	Successful, manufacturing transfer required	Failure, manufacturing transfer required
Oral Solid Generics (38)	18% (7)	63% (24)	18% (7)
Complex Generics (22)	50% (11)	14% (3)	36% (8)
All (60)	30% (18)	45% (27)	25% (15)

For 32 pharmaceutical product divestitures in the study, one or both of the merging parties had products in development. The goal of divestiture is to put the product development effort (including any pending regulatory filings) in the hands of a new firm with the same ability and incentive to bring the pipeline product to market. For all 32 of these products, there was a successful transfer.

For the majority of divestitures involving on-market drugs that were included in the study, buyers replaced suppliers and competed in the market. There were more risks, however, when the remedy required the buyer to establish a new production source, and the risk was higher still when the manufacturing process was more difficult.

As outlined in more detail in the Best Practices section below, staff has been incorporating its ongoing learning with respect to divestitures in the pharmaceutical industry. For example, in more recent orders involving generic drug overlaps, when evaluating whether proposed respondents should be required to divest the assets of the acquiring firm or the target firm, the Commission has required divestiture of the easier-to-divest products where possible, particularly when the product was manufactured under a third-party agreement that could transfer to a buyer.

VII. Best Practices

Incorporating learning from the study, these best practices describe what respondents and proposed buyers can expect during the remedy process. While not exhaustive, they specifically respond to concerns raised during the study and incorporate suggestions made by buyers, respondents, and monitors. They do not reflect significant changes to the Commission's current practice, but rather further refine the Commission's approach to remedies and the remedy process. In particular, the aim is to make clear to respondents and buyers what they will be required to do and show as the Commission evaluates proposed remedy proposals. Respondents proposing a remedy must demonstrate that the proposal will solve the likely competitive problem identified by the Commission. The Commission will not accept a remedy unless it determines that the remedy will address the competitive harm caused by the merger and serve the public interest.

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A. Defining the Asset Package

1. Scope of Asset Package

Divestitures of selected assets in the study, even with upfront buyers, succeeded less often and raised more concerns than divestitures of ongoing businesses. This confirms the Commission's preference for divestitures of ongoing businesses. When parties propose divestiture of an ongoing business, the Commission must confirm that all aspects of an ongoing business are being divested. The respondent should:

- explain how the proposed business contains all aspects needed for it to operate on its own;
- explain how a buyer can acquire the ongoing business and begin competing right away;
- identify at least three potential buyers that it believes are interested and approvable if it proposes to divest an ongoing business in a post-order divestiture; and
- be aware that staff will talk with potential buyers and other market participants.

While parties may propose a divestiture of selected assets rather than a divestiture of an ongoing business, the Commission will accept such a proposal only if the respondent and the buyer demonstrate that divesting the more limited asset package is likely to maintain or restore competition. In a merger where the respondent proposes a selected asset divestiture as a remedy, the respondent should:

- explain why an alternative ongoing business divestiture is inappropriate or infeasible;
- demonstrate how the selected assets can operate as a viable and competitive business in the relevant market;
- explain what aspects of an ongoing business are excluded from the package and, for each aspect that is excluded, how a proposed buyer would be able to address that gap, at what cost, and how quickly; and
- provide the buyer with adequate time and access to employees, facilities, and information to conduct due diligence.

Where the respondent proposes a selected asset divestiture, a proposed buyer will need to demonstrate that it will be able to compete effectively in all affected relevant markets without all of the assets relating to an ongoing business. The buyer should:

- explain how it plans to maintain or restore competition with a selected asset package;
- assess what additional assets and services it will need to operate the selected assets as a viable and competitive business in the relevant market;
- explain how it will obtain these additional assets and services, at what cost, and how quickly; and
- document its cost and time estimates to obtain these additional assets and services.

The Commission will accept only a divestiture package that it deems sufficient to enable a buyer to maintain or restore competition. Accordingly, a proposal to divest selected assets as a remedy may need to include, for example, assets relating to complementary products outside of the relevant market; manufacturing facilities, even if the facilities also manufacture products outside of the relevant market; or use of applicable brands or trade names. The Commission may also require the respondent to engage

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in certain other conduct, including, for example, facilitating the transfer of customers. If the Commission determines that a proposed asset package is inadequate to restore or maintain competition, it may consider alternative settlement proposals or seek to block or undo the merger.

2. Transfer of Back-Office Functions

The provision of back-office functions that relate to the product market and the assets being divested is often more important and more complicated than parties anticipate. Those functions must be assessed to determine whether a proposed buyer can perform them on its own or if they are otherwise easily obtainable. If a proposed buyer does not already have the capability to perform the functions itself or will not be able to access them through, for example, third parties, then the respondent will be required to provide them on a transitional basis. If the buyer does not have access to them because they are specialized and not readily available from third parties, then the respondent will have to divest the assets relating to the provision of these functions. Even if the respondent must divest assets that provide these functions, there may be a transitional period while the respondent is completing the transfer of the assets to the buyer, during which the respondent may be required to provide those services to the buyer while the buyer integrates the assets.

The successful transfer of these back-office functions is often essential for a divestiture buyer to compete in the affected market. To help assess the scope of back-office functions that the buyer will need and to ensure that the buyer has these functions, the respondent should:

- explain to staff and the buyer all back-office functions related to all relevant products, as well as all necessary personnel and documentation;
- ensure that the proposed buyer can conduct adequate due diligence to understand what back-office functions will be needed and the complexities involved in the transfer of such functions;
- make its information technology employees available to discuss and plan the transfer of the back-office functions with the buyer; and
- provide back-office functions to the buyer as needed on a transitional basis for a period sufficient to allow the buyer to transition all services, at no more than respondent's cost.

The buyer should:

- explain to staff the scope of back-office functions it will need to support the asset package and how it will provide or obtain these functions and at what cost; and
- explain the length of time it will need transition services and its options if the transition takes longer than expected.

B. Reviewing the Proposed Buyer

In general, the study revealed that respondents appeared to understand the remedy process and usually proposed approvable buyers. When proposing a buyer to staff, the respondent should:

- explain to staff how it selected the proposed buyer;
- share with staff any offering memoranda or other documents it intends to provide to potential buyers, prior to distribution; and

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- be aware that staff will talk to potential buyers as well as other market participants.

In its communications with staff, the proposed buyer should:

- identify all sources of financing for the acquisition of the divested assets, including private equity or other investors, and explain the criteria it used for evaluating such sources;
- explain how it, and all entities providing financing for the transaction, reviewed and evaluated the transaction and formed the basis for authorizing it;
- provide detailed financial and business plans, with supporting documentation, to demonstrate its competitive and financial viability;
- explain the underlying assumptions of its financial and business plans, including contingency plans if sales and other financials do not meet projections;
- make management, sales and marketing representatives, and accounting and other representatives available to staff;
- explain the structure of the funding for the investment, including any limitations of the funds; and
- make representatives from the entities providing financing available for discussions with staff.

C. Implementing the Remedy

Some buyers raised concerns about implementation of the remedy. Some of these concerns could have been allayed with more time to conduct thorough due diligence. Other concerns included difficulty attracting and retaining customers, the length of transition services and supply agreements, and the operation of hold separate orders.

1. Due Diligence

The respondent should provide adequate opportunity for the buyer to conduct due diligence. Specifically, the respondent should:

- provide access to information, facilities, and employees at least to the extent it would in a typical arm's length transaction;
- provide staff information regarding the extent to which the buyer has taken advantage of due diligence opportunities;
- provide direct access to key employees who are identified in the order;
- if the acquired firm's assets are being divested to an upfront buyer, provide the upfront buyer direct access to the acquired firm's information, facilities, and employees; in this circumstance, the upfront buyer should not be required to work through the respondent's representatives; and
- in the case of a post-order buyer, provide the post-order buyer direct access to the hold separate business, including the hold separate monitor and the hold separate manager.

The buyer should ensure that it takes advantage of the due diligence process and conducts adequate due diligence. In particular, the buyer should:

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- provide staff information regarding the specific due diligence efforts it undertakes and any concerns about any aspect of the diligence process;
- in the case of an upfront divestiture, access the acquired firm's information, facilities, and employees, directly, without going through the respondent's representatives; and
- in the case of a post-order divestiture, access the hold separate business, including the hold separate monitor and the hold separate manager directly, pending divestiture to a post-order buyer.

2. Customer and Other Third-Party Relationships

Some buyers in the study had difficulty attracting and retaining customers, while others stepped into complicated third-party relationships. Respondents and buyers should be prepared to take certain steps to facilitate the transition in these relationships. The respondent should:

- provide the buyer access to customers, and relevant third parties, early in the process;
- inform customers of the divestiture, of the buyer's identity, and, if applicable, of their right to terminate their contracts with the divesting firms, incorporating input from the buyer into such communication;
- when customer contracts are assignable, assign customer contracts to the buyer;
- when customer consent is required to assign contracts, take steps to assist the buyer in obtaining those consents, including encouraging customers to consent;
- when required, waive contract restrictions that prevent customers from switching to the buyer and allow customers to terminate their contracts early and without penalty; and
- assist the buyer in obtaining any necessary governmental and other regulatory approvals.

The buyer should:

- take advantage of its access to all third parties involved, including customers, suppliers, landlords, and others;
- review and understand customer and other third-party relationships, including customers' buying patterns, customer brand and product loyalty, and customer switching costs; and
- when the order allows customers to terminate their contracts with the respondent, provide input into the respondent's communication with the customers that informs customers of such right.

3. Transition Services Agreements

As discussed above, the respondent should be prepared to provide back-office and other functions for a limited period until the buyer can provide them itself. The respondent will be required to provide those services pursuant to an agreement between the respondent and the buyer that the Commission has approved and that the Commission will monitor. The respondent will be required to:

- provide transition services for a sufficient period until the buyer can perform these services on its own, at no more than respondent's costs, which respondent will be required to document;
- enable the buyer to extend the agreement for a reasonable period, when appropriate;
- enable the buyer to terminate such agreement early, without financial penalty; and

- provide for monitor oversight, when necessary.

The study found that buyers seek to end their reliance on respondents' transition services quickly. Despite this, a few buyers needed the full term of the agreements and one needed the transition services agreement extended beyond what was provided by the order. The buyer should thus keep staff apprised of its progress in transitioning services from the respondent.

4. Supply Agreements

As with transition services agreements, the Commission seeks to minimize the length of time that buyers rely on respondents. The study confirmed that buyers are also wary of relying on respondents for supply of product or inputs. At the same time, supply agreements can be critical, enabling buyers to enter the affected markets quickly. To provide a buyer with supply of product or input for a sufficient period, but not so long as to diminish the buyer's competitive incentives, a respondent will be required to:

- provide supply for a term that extends at least for the length of the product qualification process or the time needed to enable the buyer to manufacture the product on its own or obtain the inputs; and
- allow for an extension when it is clear that the buyer needs additional supply on a transitional basis.

The buyer should keep staff apprised of its progress in transitioning off the supply agreement.

5. Hold Separates

Where there is a need for a hold separate, the assets to be divested are vulnerable to growing stale and the possibility that competitors may make potential inroads during the hold separate period. The hold separate manager, typically experienced in operating the assets, is critical to the success of the ongoing business during the hold separate period. To help the hold separate assets stay competitive during this period, the respondent should:

- allow the hold separate manager open and direct access to staff, independent of the respondent and respondent's counsel; and
- authorize hold separate managers to respond to competitive pricing in the market, maintain levels of production that best position the business to compete in the long term, implement all planned capital investments, and otherwise compete in the market.

The respondent and hold separate monitor should work with staff, beginning as early as possible, to ensure that hold separate operations can be structured efficiently and effectively.

D. Orders in the Pharmaceutical Industry

To ensure the success of divestitures in the pharmaceutical industry, the respondent should:

- divest the easier-to-divest product wherever possible, such as products already made at a third-party manufacturing site;

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- provide complete information upfront to the proposed buyer so that the buyer can be prepared to step into the respondent's place with key customers, including regarding any production problems or supply chain issues and more in-depth sales and costs figures;
- work with the proposed buyer to develop a comprehensive technology transfer plan and identify specific employees to oversee respondent's transfer to the new manufacturing facility; and
- retain a Commission-approved monitor prior to entry of the order to facilitate development of the technology transfer plan.

The proposed buyer should identify any necessary third-party contract manufacturers for divested products that the buyer will not manufacture in its own facilities, and provide detailed business plans for investment in products in development, including internal hurdle rates.

E. Communication

Communication with staff is critical at every stage of the remedy process. A buyer, or any other affected party, should bring issues or concerns to the attention of the staff or the monitor as soon as they arise. A buyer should:

- stay in contact with staff and the monitor, if appointed; and
- raise issues as they arise with staff or the monitor.

Respondents should be aware that staff will remain in contact with buyers at least until the respondents have fully divested all required assets and have provided all required supply and transitional services.

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United States of America
Federal Trade Commission

Welfare Standards Underlying Antitrust Enforcement: What You Measure is What You Get

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Luncheon Keynote Address at
George Mason Law Review 22nd Annual Antitrust Symposium:
Antitrust at the Crossroads?

Arlington, VA

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* The views expressed in these remarks are my own and do not necessarily reflect the views of the Federal Trade Commission or any other Commissioner. Many thanks to my Attorney Advisor, Tom Klotz, for assisting in the preparation of these remarks.

I. Introduction

It is delightful to join you today at the George Mason University Antonin Scalia Law School. Many thanks to the George Mason Law Review and the Law and Economics Center for inviting me. As always, they have put together a great program.

Before launching into the substance, I must provide the standard disclaimer: The views I express today are my own, and do not necessarily reflect the views of the Federal Trade Commission or any other Commissioner.

With the administrative details out of the way, I would like to spend my time this afternoon discussing the appropriate welfare standard for antitrust enforcement. This topic was the subject of two panels at the FTC's Hearings on Competition and Consumer Protection in the 21st Century in November 2018.[1] The discussion of whether we should continue to rely on the consumer welfare standard, which has long underpinned our approach to antitrust, arises in the context of a larger debate. According to some critics, lax antitrust enforcement has led to historic levels of consolidation and concentration, which have led to greater income inequality, stagnant wages, and reduced innovation.[2] These observers recognize that the consumer welfare standard, the yardstick used to evaluate mergers and competitive conduct for more than 40 years, is an intellectual barrier for their desired approach to enforcement.

Under the consumer welfare standard, business conduct and mergers are evaluated to determine whether they harm consumers in any relevant market. Generally speaking, if consumers are not harmed, the antitrust agencies do not act. But critics would have us adopt a different approach.

This topic is an important one for us to discuss for at least two reasons. First, as they say in business school, what you measure is what you get. The standard we select will drive the results that we get. What results do we want? And second, agreement among stakeholders regarding the goals of antitrust law and policy will generate confidence in antitrust enforcement outcomes, a goal I'm sure we all agree is worthy.

In discussing this issue today, I will cover three topics. First, I will provide a very brief historical perspective on the Sherman Act. Second, I will review criticisms of the consumer welfare standard and identify alternatives that have received much attention recently. And third, I will discuss the total welfare standard, which I believe has received too little attention.

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[1] *See* FTC Hearings on Competition and Consumer Protection in the 21st Century (Nov. 1, 2018), *available at* https://www.ftc.gov/system/files/documents/public_events/1415284/ftc_hearings_session_5_transcript_11-1-18.pdf.

[2] *See, e.g.*, Senate Democrats, A Better Deal: Cracking Down on Corporate Monopolies, at 1 (2017) [hereinafter A Better Deal], https://www.democrats.senate.gov/imo/media/doc/2017/07/A-Better-Deal-on-Competition-and-Costs-1.pdf ("Over the past thirty years, growing corporate influence and consolidation has led to reductions in competition, choice for consumers, and bargaining power for workers. The extensive concentration of power in the hands of a few corporations hurts wages, undermines job growth, and threatens to squeeze out small businesses, suppliers, and new, innovative competitors.").

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II. Historical Perspective

The political origins of the Sherman Act reflect the concerns of small businesses and farmers who blamed the trusts of the 1880s for many economic woes.[3] The populist fear of market concentration that ultimately led to the passage of the Sherman Act is demonstrated in the legislative history.[4] Consequently, language in the legislative history includes statements that are consistent with the view that the framers of this legislation were concerned with more than economic competition and economic efficiency.[5] Of course, the language of the Sherman Act itself says nothing about welfare standards.

Early Supreme Court cases reflected those broader concerns of protecting small businesses. For instance, in *United States v. Trans-Missouri Freight Ass'n*,[6] the Court was concerned with protecting "small dealers and worthy men."[7] Similar concerns were expressed in *Brown Shoe*[8] and *Alcoa*.[9]

Thus, critics of the consumer welfare standard are correct that goals other than consumer welfare and economic efficiency are part of antitrust's history. But that history did not end in the 1940's, 50's, and 60's. The Supreme Court has explained that Congress intended the Sherman Act to develop as common law, explicitly grounded in economics. In *Kimble v. Marvel Entertainment, LLC*,[10] the Court explained:

> Congress . . . intended [the Sherman Act's] reference to "restraint of trade" to have "changing content," and authorized courts to oversee the term's "dynamic potential." We have therefore felt relatively free to revise our legal analysis as economic understanding evolves and . . . to reverse antitrust precedents that misperceived a practice's competitive consequences. . . . [B]ecause the question in those cases was whether the challenged activity

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[3] *See generally* Ilene Knable Gotts, *Back to the Future: Should the "Consumer Welfare" Standard Be Replaced in U.S. M&A Antitrust Enforcement*, __ ANTITRUST REPORT 1-2 (forthcoming 2019).

[4] *See, e.g.*, 21 Cong. Rec. 2457 (1890), available at http://www.appliedantitrust.com/02_early_foundations/3_sherman_act/cong_rec/21_cong_rec_2455_2474.pdf (Senator Sherman stating "It is the right of every man to work, labor, and produce in any lawful vocation and to transport his production on equal terms and conditions and under like circumstances. This is industrial liberty, and lies at the foundation of all rights and privileges.").

[5] Herbert Hovenkamp, *Antitrust's Protected Classes*, 88 MICH. L. REV. 1 (1988).

[6] 166 U.S. 290 (1897).

[7] *Id.* at 323.

[8] Brown Shoe Co. v. United States, 370 U.S. 294, 344 (1962) (antitrust protects "small, locally owned businesses").

[9] United States v. Aluminum Co. of America, 148 F.2d 416, 428-29 (2d Cir. 1945) (antitrust law exists to "put an end to great aggregations of capital because of the helplessness of the individual before them").

[10] 135 S. Ct. 2401 (2015).

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> restrained trade, the Court's rulings necessarily turned on its understanding of economics.[11]

Much ink has been spilled about the evolution of economic analysis and its impact on antitrust jurisprudence.[12] Consequently, I will not delve into the details here. Instead, I will highlight some key milestones.

As others have explained,[13] Robert Bork examined and provided an interpretation of the Sherman Act's legislative history that concluded that Congress intended mainly to protect consumers from the harm done by cartels without undermining efficiency. He argued that Congress valued only consumer welfare[14] and concluded that "[t]he Sherman Act was clearly presented and debated as a consumer welfare prescription."[15]

At about the same time, economic research found benign explanations for highly concentrated markets, which broke from prior work that was suspicious of concentration. For example, economists concluded that some firms were winning competitive battles and achieving large shares not for pernicious reasons but because they were more efficient than other firms, and that other firms with significant shares benefitted from economies of scale.[16] In addition, new theoretical and empirical economic learning provided procompetitive explanations for certain business practices like vertical restraints.

Reflecting both of these developments, the Supreme Court shifted its focus from a mix of economic, social, and political goals to the market impact of an alleged restraint. In *Brunswick Corp. v. Pueblo Bowl-O-Mat, Inc.*,[17] the Supreme Court stated without caveat that the "antitrust laws . . . were enacted for 'the protection of competition, not competitors.'"[18] Similarly, in

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[11] *Id.* at 2412-13 (citations omitted).

[12] *See, e.g.*, HERBERT HOVENKAMP, THE ANTITRUST ENTERPRISE: PRINCIPLE AND EXECUTION (2006); D. Daniel Sokol, *The Transformation Of Vertical Restraints: Per Se Illegality, The Rule Of Reason, And Per Se Legality*, 79 ANTITRUST L.J. 1003 (2014); William E. Kovacic, *The Intellectual DNA of Modern U.S. Competition Law for Dominant Firm Conduct: The Chicago/Harvard Double Helix*, 2007 COLUM. BUS. L. REV. 1 (2007).

[13] *See, e.g.*, Daniel A. Crane, *The Tempting of Antitrust: Robert Bork and the Goals of Antitrust Policy*, 79 ANTITRUST L.J. 835 (2014).

[14] Although Bork uses the phrase "consumer welfare," some believe the economic concepts he uses in his argument suggest he meant a total welfare standard. *See* Roger D. Blair & D. Daniel Sokol, *The Rule of Reason and the Goals of Antitrust: An Economic Approach*, 78 ANTITRUST L.J. 471, 473 (2012); Gregory J. Werden, *Antitrust's Rule of Reason: Only Competition Matters*, 79 ANTITRUST L.J. 713, 718-21 (2014).

[15] ROBERT H. BORK, THE ANTITRUST PARADOX 64 (1978).

[16] *See* ERNEST GELLHORN ET AL., ANTITRUST LAW AND ECONOMICS 92-93 (5th ed. 2004) (*citing* Harold Demsetz, *Two Systems of Belief about Monopoly*, *in* INDUSTRIAL CONCENTRATION: THE NEW LEARNING 164 (Harvey J. Goldschmid et al eds., 1974)); Richard A. Posner *The Chicago School of Antitrust Analysis*, 127 U. PA. L. REV. 925 (1979) (summarizing this work in economics). The new economic learning challenged the basis for decisions like *United States v. Trans-Missouri Freight Ass'n*, 166 U.S. 290 (1897), and *FTC v. Procter & Gamble*, 386 U.S. 568 (1967).

[17] 429 U.S. 477 (1977).

[18] *Id.* at 488.

Reiter v. Sonotone Corp.,[19] the Court again chose to interpret antitrust law to protect consumers, not small businesses, and described the Sherman Act as a "consumer welfare prescription."[20]

In a particularly important decision in *Continental T.V., Inc. v. GTE Sylvania Inc*,,[21] the Supreme Court relied on economic reasoning to hold that territorial restraints on franchisees should be evaluated under the rule of reason, recognizing that these restrictions can enable manufacturers to compete more effectively against other manufacturers.[22] Notably, the Court declared that the rule of reason standard must be based upon demonstrable economic effect.[23] The Supreme Court's *Sylvania* decision marked a major turning point in antitrust law. After this decision, the Court increasingly turned to modern economic theory to inform its interpretation and application of the Sherman Act.[24]

While the Supreme Court has endorsed an economic approach, it has not prescribed in detail the appropriate welfare standard to be applied.[25] On the one hand, the Court cites Bork, who argued that economic efficiency, and therefore total welfare, should be the guiding principle. But Blair and Sokol argue that "[m]ost of the Court's opinions arguably favor [use of a] consumer welfare [standard]."[26]

Since *Sylvania*, lower courts have followed the Supreme Court's instruction and have adopted an analysis based upon market effects and the impact on consumers.[27] In these cases, it is generally believed that federal courts and enforcers apply a consumer welfare standard.[28]

The consumer welfare standard equates with consumers' surplus in economic terms—technically, the difference between what each consumer actually pays and what he or she would be willing to pay. Generally speaking, conduct is evaluated only by looking at the surplus that goes to consumers, ignoring what goes to sellers. For instance, in a merger analysis, the gains to the merging producers do not count; only the effect on consumer prices is relevant.[29]

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[19] 442 U.S. 330 (1979).

[20] *Id.* at 343 (*quoting* ROBERT H. BORK, THE ANTITRUST PARADOX 66 (1978)).

[21] 433 U.S. 36 (1977).

[22] *Id.* at 52-56.

[23] *Id.* at 58-59.

[24] William E. Kovacic & Carl Shapiro, *Antitrust Policy: A Century of Economic and Legal Thinking*, 14 J. ECON. PERSP. 43 (2000).

[25] *See* Blair & Sokol, *supra* note 14 at 476.

[26] *Id.* at 480.

[27] *See, e.g.*, Schor v. Abbott Labs., 457 F.3d 608, 611 (7th Cir. 2006) ("[I]f a manufacturer cannot make itself better off by injuring consumers through lower output and higher prices, there is no role for antitrust law to play.").

[28] Herbert Hovenkamp, *Implementing Antitrust's Welfare Goals*, 81 FORDHAM L. REV. 2471, 2476 (2013) ("[C]ourts almost invariably apply a consumer welfare test."); Jonathan M. Jacobson, *Another Take on the Relevant Welfare Standard for Antitrust*, ANTITRUST SOURCE, at 2 (Aug. 2015) (The "consumer welfare standard is the standard understood to be employed in practice by the federal enforcement agencies").

[29] *See* U.S. DEP'T OF JUSTICE & FED. TRADE COMM'N, HORIZONTAL MERGER GUIDELINES § 10 (Aug. 19, 2010) (efficiencies).

The consumer welfare standard is generally considered to be relatively easy to administer. Under a simple rule of reason test employing the consumer welfare principle, one would have to consider whether the challenged practice creates a sufficient inference of lower market-wide output and higher prices.[30] If so, it is presumptively unlawful. At that time the defendants have the opportunity to show that the output model ignores efficiencies produced by the challenged practice that are of sufficient magnitude so as to drive down price to a level that is no higher than it had been before.

The simplest version of the consumer welfare test is not a balancing test in the sense that one must attempt to measure and net out productive efficiency gains and allocative efficiency losses. If consumers are harmed by reduced output, decreased product quality, or higher prices resulting from the exercise of market power, then this result trumps any amount of offsetting gains to producers or others. In this sense, the consumer welfare test is easy to administer on a case-by-case basis.[31]

III. Attacks on the Consumer Welfare Standard Are Unfounded

Critics seeking to overhaul antitrust enforcement have leveled several criticisms against the consumer welfare standard. A careful analysis reveals that the claimed shortcomings of the consumer welfare standard are contradicted by the evidence.

Critique 1: The consumer welfare standard is narrowly focused on price to the exclusion of other factors that benefit consumers.

In fact, current analysis considers other factors as part of the competitive process. While the language of agency Guidelines and cases focuses on price, the term "price" is often shorthand for consideration of several other aspects of competition.

The Horizontal Merger Guidelines make this point clearly, stating that "for simplicity of exposition" competitive effects are generally discussed as price effects. The Guidelines explain, "[e]nhanced market power can also be manifested in non-price terms and conditions that adversely affect customers, including reduced product quality, reduced product variety, reduced service, or diminished innovation. . . . When the Agencies investigate whether a merger may lead to a substantial lessening of non-price competition, they employ an approach analogous to that used to evaluate price competition."[32]

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[30] *See* Ohio v. American Express Co., 138 S. Ct. 2274, 2284 (2018) ("To determine whether a restraint violates the rule of reason . . . a three-step burden-shifting framework applies . . . [where] the plaintiff has the initial burden to prove that the challenged restraint has a substantial anticompetitive effect that harms consumers in the relevant market. . .").

[31] Herbert Hovenkamp, *Implementing Antitrust's Welfare Goals*, *supra* note 28, at 2473.

[32] HORIZONTAL MERGER GUIDELINES, *supra* note 29, § 1; *see also* Carl Shapiro, Opening Statement before Senate Judiciary Committee, Subcommittee on Antitrust, Consumer Protection and Consumer Rights, at 3 (Dec. 13, 2017) ("[T]hose who say that the 'consumer welfare' standard is narrowly focused on price to the exclusion of other factors are simply incorrect: properly applied, the 'consumer welfare' standard includes a range of factors that

For instance, in hospital mergers, the analysis regularly considers price as well as non-price competition.[33] In hospital mergers, there are two stages of competition. In the first stage of competition, healthcare providers and commercial insurers negotiate reimbursement rates as well as other terms. In the second stage of healthcare competition, in-network providers compete with each other on a variety of non-price facets of competition to attract patients, including the length of clinic hours, the convenience of location, the availability of services, technology, and the quality of care. [34]

The district court deciding the Commission's challenge of the proposed merger of Sanford Health and Mid Dakota Clinic in North Dakota found that even though there would not be a decline in quality care provided by any doctor, "the proposed transaction would eliminate the second-stage competition that currently exists . . . to provide better services at a more competitive price."[35] Similarly, the FTC's Complaint challenging a proposed hospital merger in Toledo, Ohio alleged that "the acquisition also will reduce the quality and breadth of services available in Lucas County."[36]

Competition on quality is also important in the analysis of vertical restraints. For tying and resale price maintenance (RPM), the economic literature underpinning legal decisions in these areas emphasizes the importance of competition on quality and the provision of services in the competitive process.[37]

Moreover, even when the literature discusses price, it may mean quality-adjusted price. This kind of analysis appears frequently, for example, in hotel and airline markets.[38]

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benefit consumers, not just low prices but improved product variety and quality and of course more rapid innovation. Likewise those who say that the 'consumer welfare' standard is overly focused on short-term outcomes are mistaken.").

[33] In fact, the standard empirical and analytical models used in hospital mergers estimate willingness to pay, which is based on travel costs and non-price competition. The models effectively translate non-price effects into price.

[34] *See, e.g.*, Fed. Trade Comm'n v. Sanford Health, No. 17-cv-0133, 2017 WL 10810016, at *7 (D.N.D. Dec. 15, 2017) ("[S]econd-stage competition generally focuses on non-monetary factors which include, e.g., clinic hours, convenience of location, available services, technology, and quality. Witnesses testifying for both sides agreed that competition among providers improves the quality of services that patients receive and results in better patient outcomes. More convenient access to providers is of benefit to patients. More convenient access helps providers attract and retain patients. One provider's improvements in convenient patient access may prompt a competing provider to also make its services more conveniently accessible to patients.").

[35] *Id.* at *13.

[36] Compl. ¶ 31, *ProMedica Health System, Inc.*, FTC Dkt. No. 9346 (issued Jan. 6, 2011), *available at* https://www.ftc.gov/sites/default/files/documents/cases/2011/01/110106promedicacmpt.pdf.

[37] *See, e.g.*, Benjamin Klein & Kevin M. Murphy, *Vertical Restraints as Contractual Enforcement Mechanisms*, 31 J. LAW & ECON. 265 (1988).

[38] *See* Bryan Keating, Mark A. Israel, Daniel L. Rubinfeld & Robert D. Willig, *Airline Network Effects & Consumer Welfare* 12 REV. NETWORK ECON. 1 (2013).

Critique 2: **The consumer welfare standard looks only at short-term price changes and ignores effects on innovation.**

This critique is also belied by the evidence. The agencies regularly consider effects on innovation in their analysis.[39] The Horizontal Merger Guidelines provide that the agencies consider whether a merger is "likely to diminish innovation competition by encouraging the merged firm to curtail its innovative efforts below the level that would prevail in the absence of the merger."[40] Between 2004 and 2014, the FTC challenged 164 mergers and alleged harm to innovation in 54 of them.[41]

Critique 3: The consumer welfare standard ignores buyer power and monopsony concerns.

For instance, the Roosevelt Institute has asserted that large retailers such as Wal-Mart and Amazon use monopoly power to squeeze small suppliers.[42] Others assert that large companies exert monopsony power in labor markets to reduce wages.[43]

Contrary to the critique, the consumer welfare standard does address possible monopsony concerns.[44] For instance, FTC staff investigating Staples' acquisition of Essendant considered whether the combined firm would be able to exercise monopsony power against office supply product manufacturers. After a careful and thorough investigation, the FTC concluded that the merged firm would not be able to exercise monopsony power.[45]

The agencies also apply the consumer welfare standard to labor markets. In 2010, the Antitrust Division filed a civil complaint against six high-tech companies that had agreed not to

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[39] *See* Joshua D. Wright, Antitrust Provides a More Reasonable Regulatory Framework than Net Neutrality, (George Mason University Law & Econ. Research Paper 17-35, Aug. 2017), *available at* https://papers.ssrn.com/so13/papers.cfm?abstract_id=3020068.

[40] HORIZONTAL MERGER GUIDELINES, *supra* note 29, § 6.4.

[41] *See* Richard J. Gilbert & Hillary Greene, *Merging Innovation into Antitrust Agency Enforcement of the Clayton Act*, 83 GEO. WASH. L. REV. 1919, 1931-32 (2015).

[42] Marshall Steinbaum, Eric Harris Bernstein, & John Sturm, Powerless: How Lax Antitrust and Concentrated Market Power Rig the Economy Against American Workers, Consumers, and Communities, at 42 (Roosevelt Institute, Feb. 2018), *available at* http://rooseveltinstitute.org/wp-content/uploads/2018/03/Powerless.pdf).

[43] *See, e.g.*, Jose Azar, Ioana Marinescu, & Marshall I. Steinbaum, Labor Market Concentration (National Bureau of Economic Research Working Paper 24147, Dec. 2017), *available at* http://www.nber.org/papers/w24147.

[44] *See In re Express Scripts, Inc.*, FTC File No. 111-0210 (FTC Apr. 2, 2012) (Statement of the Federal Trade Commission Concerning the Proposed Acquisition of Medco Health Solutions by Express Scripts, Inc.), *available at* https://www.ftc.gov/sites/default/files/documents/closing_letters/proposed-acquisition-medco-health-solutions-inc.express-scripts-inc./120402expressmedcostatement.pdf.

[45] *See In re Sycamore Partners II, L.P.*, FTC File No. 181-0180 (FTC Jan. 28, 2019) (Statement of Chairman Joseph J. Simons, Commissioner Noah Joshua Phillips and Commissioner Christine S. Wilson concerning the Proposed Acquisition of Essendant, Inc. by Staples, Inc.), *available at* https://www.ftc.gov/system/files/documents/public_statements/1448328/181_0180_staples_essendant_majority_statement_1-28-19.pdf.

cold call each other's employees.[46] In 2016, the FTC and Antitrust Division issued a joint statement explaining that "[t]he DOJ will criminally investigate allegations that employers have agreed among themselves on employee compensation or not to solicit or hire each other's employees."[47] The FTC also has obtained consents involving conduct in particular labor markets.[48]

IV. Assessing Alternative Welfare Standards

There are at least five different welfare standards that could be applied in antitrust analysis.

1. Consumer Welfare, which we have already discussed.

2. Total Welfare. Total welfare seeks to measure the effect of a practice or transaction on the economic welfare of all participants in a market, including both producers and consumers. Put differently, it refers to the aggregate value created, without regard for how gains or losses are distributed. I will turn to a more complete discussion of the total welfare standard in a few minutes.

3. Consumer Choice. The consumer choice standard is based on the idea that the "range of options [available to consumers should not] be significantly impaired or distorted by anticompetitive practices."[49] The standard focuses instead on "conduct that artificially limits the natural range of choices in the marketplace,"[50] but is not based on any specified number of options and does not forbid all reductions in choice.

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[46] *See* Press Release, U.S. Dep't of Justice, Justice Department Requires Six High Tech Companies to Stop Entering into Anticompetitive Employee Solicitation Agreements, Sept. 24, 2010, *available at* https://www.justice.gov/opa/pr/justice-department -requires-six-high-tech-companies-stop-entering-anticompetitive-employee.

[47] U.S. DEP'T OF JUSTICE & FED. TRADE COMM'N, ANTITRUST GUIDANCE FOR HUMAN RESOURCE PROFESSIONALS, at 4, Oct. 2016, *available at* https://www.ftc.gov/system/files/documents/public_statements/992623/ftc-doj_hr_guidance_final_10-20-16.pdf.

[48] *See In re Your Therapy Source, LLC*, FTC File No. 171-0134 (July 31, 2018) (proposed consent order), *available at* https://www.ftc.gov/system/files/documents/cases/1710134_your_therapy_source_decision_and_order_7-31-18.pdf (proposing to prohibit physical therapist staffing companies from exchanging rate information and entering agreements to lower rates paid to therapists treating patients of home health agencies); *In re Debes Corp.*, 115 FTC 701 (1992) (consent order) (prohibiting boycott of temporary nurse registry by nursing homes that reduced the price of temporary nurse services); *In re Council of Fashion Designers of America*, 120 F.T.C. 817 (1995) (consent order) (prohibiting agreements to fix price, terms or conditions of compensation for modeling or modeling agency services).

[49] Robert H. Lande, *A Traditional and Textualist Analysis of the Goals of Antitrust: Efficiency, Preventing Theft From Consumers, and Consumer Choice*, 81 FORDHAM L. REV. 2349 (2013); Robert H. Lande, *Consumer Choice as the Ultimate Goal of Antitrust*, 62 U. PITT. L. REV. 503, 503 (2001) [hereinafter Lande, *Consumer Choice*]; Robert H. Lande, *Wealth Transfers as the Original and Primary Concern of Antitrust: The Efficiency Interpretation Challenged*, 34 HASTINGS L.J. 65 (1982).

[50] Lande, *Consumer Choice*, *supra* note 49 at 503-04.

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4. Multiple Goals. Based on the legislative history of the Sherman Act and the early cases where courts focused on the protection of small business, many observers concluded that antitrust pursued a variety of goals, including preserving a deconcentrated industry structure, dispersing economic power, and promoting fairness in economic dealings. As we have discussed, courts wisely abandoned pursuit of these multiple goals about 40 years ago.[51]

More recently, a similar approach has been advocated to replace the consumer welfare standard. The combination of goals in the current incarnation includes increasing fairness, reducing income inequality, and protecting jobs.[52]

5. Protection of the Competitive Process. There are two versions of this welfare standard. The first version is articulated by Greg Werden.[53] Under this approach, practices and transactions that interfere with competition as a process would be condemned. Practices that do not impair the competitive process would not be prohibited, even if they decrease consumer surplus.

In the second version, the competitive process standard approximates the multiple goals standard. This version, which may be likened to a public interest standard, is advocated by Tim Wu. He believes that the competitive process standard might be more practical than the consumer welfare standard.

> [T]he protection of competition standard puts the antitrust law in the position of protecting the competitive process, as opposed to trying to achieve welfare outcomes that judges and enforcers are ill-equipped to measure. In that sense, it makes the antitrust law akin to the 'rules of the game,' and make enforcers and judges referees . . . [A]s a policy matter, this relatively small change would do much to give antitrust room to achieve its historic goals, and generally make antitrust far more attentive to dynamic harms.[54]

It is important to assess each of these various standards with respect to their predictability, administrability, and credibility of enforcement decisions.

Predictability assesses whether enforcement decisions are likely to be consistent in similar cases, which enables the likely outcome of a particular case to be accurately predicted.

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[51] Herbert J. Hovenkamp, Is Antitrust's Consumer Welfare Principle Imperiled? (working paper 2018), *available at* https://scholarship.law.upenn.edu/faculty_scholarship/1985 (identifying the limitations of multiple goals and noting, "The important point, however, is that established antitrust tools are up to these tasks. More importantly, every story has two sides and the consumer welfare principle is the best mechanism for assessing the harm that they cause.").

[52] *See, e.g.*, A Better Deal, *supra* note 2.

[53] Werden, *supra* note 14.

[54] Tim Wu, *After Consumer Welfare, Now What? The "Protection of Competition" Standard in Practice*, COMP. POL'Y INT'L ANTITRUST CHRONICLE, at 2 (April 2018), *available at* https://www.competitionpolicyinternational.com/wp-content/uploads/2018/04/CPI-Wu.pdf.

Predictability is important for business planning. It also is important to ensure effective use of enforcement agency resources. For example, when businesses and legal advisors prevent obviously anticompetitive mergers from being presented to the agencies, limited enforcement resources can be leveraged to greater effect.

Administrability assesses whether businesses and antitrust enforcement agencies can implement the standard in a manner that is analytically cost-effective and feasible with the evidence that is likely to be available in particular cases.

Credibility of enforcement decisions considers whether application of the particular standard leads to outcomes that are inconsistent with legal or economic norms, or is likely to lead to Type I or Type II errors.

I will discuss the consumer choice and multiple goals standards simultaneously because the problems associated with each are similar. Moreover, to the extent that one version of the competitive process standard is only a rebranding of the multiple goals standard, it also encounters the same difficulties.

To begin, the multiple goals and consumer choice standards do not lead to predictable outcomes.

The pursuit of multiple goals necessarily requires tradeoffs among the different goals, a difficult task when there is ambiguity regarding the list of goals to be pursued. Moreover, once the list of goals is defined, advocates of this approach do not explain how to weight them. The assignment of weights necessarily makes enforcement subjective. Consequently, even if the combination of goals is the same, it is likely that different weights will be applied in different cases, by different agencies, and at different times.

If the list of goals and the weights assigned to each is indeterminate, then firms contemplating particular conduct will not be able to predict reliably whether antitrust enforcement is likely in a particular case. Without such predictability, we will unwittingly chill procompetitive transactions and conduct. Equally important, indeterminate rules are more prone to capture by rent seekers. Moreover, the indeterminacy of the goals and weights would make antitrust enforcement more susceptible to political whims and influence.

Similarly, the consumer choice standard is also unpredictable because the necessary line-drawing is subjective. To the extent that the consumer choice standard does not specify the requisite number of options and does not create bright lines for those reductions in choice that matter, outcomes are unpredictable. Consequently, implementation of the standard is necessarily

arbitrary.[55] Whether a reduction in choices from 100 to 99 is unreasonable or whether a reduction from five to four meets the standard is not an objective determination.[56]

The multiple goals and consumer choice standards also encounter problems with administrability. For the same reasons that these standards are unpredictable, they also become unadministrable. The subjectivity regarding undefined lists of goals and questions about weights assigned to those goals make implementing the standard impossible. There is no agreed method on how to proceed with the multiple goals standard. Similarly, the subjectivity of determining the line where the loss of an option to consumers is meaningful makes the consumer choice standard unworkable.

Even if we get past the subjectivity problems, the standards may become unworkable for evidentiary reasons. Many goals are unlikely to be measurable in any particular case. For instance, drawing lines about the appropriate size of firms involves value judgments and there is no agreed method to assess fairness in any particular case.

Even for factors that appear measurable, such as jobs, evidentiary standards may cause many of the proffered goals to be unworkable. Many of the advocates of this standard condemn current antitrust enforcement levels; one critique is that current enforcement credits efficiencies that are not adequately supported or verified.[57] Yet, if one of the multiple goals is to protect against the loss of jobs, estimates of the number of jobs at risk likely will come from the same company documents that currently are used to support efficiency claims.

Finally, the multiple goals and consumer choice standards are likely to result in outcomes that are contrary to accepted norms. When multiple goals are pursued, by definition there will be a loss of consumer welfare. If there are tradeoffs away from the current consumer welfare standard, consumers are likely to be worse off.[58] Similarly, as Joshua Wright and Judge Douglas Ginsburg explain, "a flaw with [the consumer choice] approach is that both economic theory and empirical evidence are replete with examples of business conduct that simultaneously reduces choice and increases welfare in the form of lower prices, increased innovation, or higher quality products and services."[59]

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[55] The standard does not reveal the economic forces in play when drawing the lines, and consequently, the tradeoffs and magnitudes of competitive effects being considered are hidden. *See* Joshua D. Wright & Douglas H. Ginsburg, *The Goals of Antitrust: Welfare Trumps Choice*, 81 FORDHAM L. REV. 2405, 2417-18 (2013). If the tradeoffs are hidden, then choices are unlikely to be consistent across cases.

[56] Jacobson, *supra* note 28, at 4.

[57] *See, e.g., In re Sycamore Partners II, L.P.*, FTC File No. 181-0180 (Jan. 28, 2019) (Statement of Commissioner Rebecca Kelly Slaughter in the matter of Sycamore Partners, Staples, and Essendant), *available at* https://www.ftc.gov/system/files/documents/public_statements/1448321/181_0180_staples_essendant_slaughter_statement.pdf.

[58] LOUIS KAPLOW & STEVEN SHAVELL, FAIRNESS VERSUS WELFARE (2006).

[59] Wright & Ginsburg, *supra* note 55, at 2411. Wright and Ginsburg illustrate their conclusion with a discussion of the supply of non-price promotional services associated with resale price maintenance.

I will now turn to the first version of the competitive process standard, the one advocated by Greg Werden. Werden makes a compelling argument that the standard is consistent with Supreme Court case law and economics.[60] Yet the standard encounters problems. As Jon Jacobson says, since *Sylvania*, "proof of economic harm has been essential in any antitrust case, but saying that a practice interferes with the competitive process does not tell us what kind of economic harm is required."[61] Without knowledge of the economic harm required, the standard may be quite difficult to administer in particular cases because we do not know the evidentiary requirements.

Finally, and most notably, I am concerned that the standard could easily metastasize from protection of the competitive process into the protection of competitors. Some monopolization cases already assert that maintaining competition requires the protection of competitors.[62] Adoption of a welfare standard expressly premised on protection of the competitive process may hasten antitrust enforcement down that slippery slope.

V. Total Welfare Standard as an Alternative for Antitrust Enforcement

There is another alternative that has many benefits to commend it: the total welfare standard, also known as the aggregate economic welfare standard. As I previously described, the total welfare standard measures the effect of a practice or transaction on the economic welfare of all participants in a market, including both producers and consumers. Put differently, it refers to the aggregate value created, without regard for how gains or losses are distributed.[63]

Since I first took a graduate-level class in antitrust law and economics with Professor Roger Blair at the University of Florida almost 30 years ago, I have found the total welfare approach to be an attractive one for many reasons. When Dr. Blair introduced the Williamsonian analysis to us, I immediately found it to be a simple, elegant, and compelling concept. Unfortunately, the current dialogue regarding the appropriate welfare standard has not paid much attention to the total welfare standard. Today, I would like to suggest that we do so. In the next few minutes, I will provide some thoughts and raise some questions about this standard that I hope we can consider in the coming weeks and months.

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[60] *See* Werden, *supra* note 14, at 726-37.

[61] Jacobson, *supra* note 28, at 6.

[62] *See, e.g.*, http://rooseveltinstitute.org/wp-content/uploads/2018/09/The-Effective-Competition-Standard-FINAL.pdf.

[63] For a defense of the total welfare standard, *see* MASSIMO MOTTA, COMPETITION POLICY: THEORY AND PRACTICE (2004); RICHARD A. POSNER, ANTITRUST LAW ix (2d ed. 2001); Dennis W. Carlton, *Does Antitrust Need To Be Modernized?*, 21 J. ECON. PERSP. 155 (2007); Kenneth G. Elzinga, *The Goals of Antitrust: Other Than Competition and Efficiency, What Else Counts?*, 125 U. PA. L. REV. 1191 (1977); Joseph Farrell & Michael L. Katz, *The Economics of Welfare Standards in Antitrust*, 2 COMPETITION POL'Y INT'L 3 (2006); Ken Heyer, *Welfare Standards and Merger Analysis: Why Not the Best?*, 2 COMPETITION POL'Y INT'L 29 (2006); Alan J. Meese, *Debunking the Purchaser Welfare Account of Section 2 of the Sherman Act: How Harvard Brought Us a Total Welfare Standard and Why We Should Keep It*, 85 N.Y.U. L. REV. 659 (2010); Roger D. Blair & D. Daniel Sokol, *The Rule of Reason and the Goals of Antitrust: An Economic Approach*, 78 ANTITRUST L.J. 471 (2012).

A. The Total Welfare Standard Would Maximize Efficiency, Not Determine Distribution of Surplus

If total welfare were the standard, Hovenkamp notes that antitrust would "promote[] allocative efficiency by ensuring that markets are as competitive as they can practicably be and that firms do not face unreasonable roadblocks to attaining productive efficiency, which refers to both cost minimization and innovation."[64] In other words, if we were to consider and maximize only economic efficiency, we would maximize the total gains from trade. Speaking colloquially, we would expand the size of the pie.[65]

Maximizing efficiency would be consistent with the comparative advantage of the FTC. As an expert agency, the Commission has experience employing the tools of industrial organization economics. Evaluating efficiency is part of that toolkit. Thus, applying a welfare standard based on economic efficiency would capitalize on the comparative advantage of the Commission.

In contrast, the consumer welfare standard makes judgments about the distribution of wealth. The consumer welfare standard measures only the surplus that goes to consumers, ignoring what goes to sellers. As Hovenkamp says, "[t]he consumer welfare principle must therefore be counted as 'distributive' to the extent that it produces outcomes that shift wealth or resources in favor of consumers even though an alternative outcome would produce greater total wealth."[66]

It is decidely not the FTC's comparative advantage to focus on questions of distribution. Instead, others with a different comparative advantage can address the redistribution issues. Here, Joe Farrell and Mike Katz explain that there should be

> a division of labor among public policies: if antitrust enforcement and some other public policies focus on total surplus, other public policies can redistribute that surplus in accord with notions of fairness. A number of reasons suggest that antitrust policy is poorly suited as a redistribution vehicle in comparison with various tax and subsidy schemes.[67]

Moreover, if policymakers wish to achieve goals other than maximizing output—*e.g.*, altering distribution of wealth—there are more direct ways to accomplish these goals.[68] Notably,

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[64] Hovenkamp, *supra* note 28, at 2471.

[65] To capture this concept, we could label this standard the "apple pie standard," because free markets and economic growth are as American as apple pie.

[66] *Id.* at 2472.

[67] Joseph Farrell & Michael L. Katz, The Economics of Welfare Standards in Antitrust, at 10-11 (2006), *available at* https://escholarship.org/uc/item/1tw2d426 (edited version of paper appeared in Competition Policy International (Oct. 2006)).

[68] Carl Shapiro, *Antitrust in a Time of Populism*, __ INT'L J. INDUS. ORG. __, *29 (forthcoming), *available at* https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3058345 ("[W]hile antitrust enforcement does tend to reduce

if antitrust enforcement were to maximize total surplus by applying the total welfare standard, then policymakers redistributing that surplus would have a larger pie with which to work.[69]

Some may argue that consumers will be harmed under the total welfare standard. Yet these concerns frequently are based on flawed assumptions regarding which groups in society, *i.e.*, consumers or producers, have the greatest wealth. To make this point, Ken Heyer gives an example of a merger of automotive repair shops serving consumers who drive Mercedes-Benz cars.[70] In this example, the consumers are likely economically better off than the producers.

In fact, in a society characterized by an efficient division of labor, consumers in some markets are producers in other markets. As a result, consumers (and producers) wear many hats. By way of example, as a producer of legal services at the law firm of O'Melveny and Myers LLP, I represented Northwest Airlines in its merger with Delta Air Lines. During that same period, I was a frequent customer of various airlines for both personal and professional travel. Later, I became a Senior Vice President at Delta and, through various incentive programs, also became a shareholder of that company.[71] This example demonstrates that one person can be an input provider, a customer, an employee, and a shareholder with respect to the same relevant market.

Likewise, some home cooks also work at grocery stores, some restaurant diners work for wholesale food distributors, and some athletes work at sportswear companies. These examples demonstrate that consumers may also be employees and shareholders, either directly or through other investment vehicles like 401(k) programs. A given consumer may not wear all of these hats simultaneously, and may never wear all of these hats within a given industry, but an antitrust policy that applies this standard in the aggregate will benefit all of these interests.

Data substantiate these principles. In 2016, 49.3% of U.S. households owned stock in public corporations, either directly or indirectly, and stocks comprised 22.4% of total household assets.[72] While dated, Robert Hansen and John Lott also provide data emphasizing the breadth of stock ownership in the U.S.[73] In short, the facts do not provide a basis for valuing the consumer role over the others when assessing competitive effects in antitrust.

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income inequality, antitrust cannot and should not be the primary means of addressing income inequality; tax policies and employment policies need to play that role. Nor can antitrust be the primary policy for dealing with the corruption of our political system and the excessive political power of large corporations; that huge problem is better addressed by campaign finance reform, a better-informed citizenry, stronger protections for voting rights, and far tougher laws to combat corruption. Trying to use antitrust to solve problems outside the sphere of competition will not work and could well backfire.").

[69] Heyer, *supra* note 63, at 168.

[70] *Id.* at 166-67.

[71] Of course, to avoid conflicts of interest, I divested all stock in Delta Air Lines before being sworn in as Commissioner.

[72] Edward Wolff, Household Wealth Trends in the United States, 1962 to 2016: Has Middle Class Wealth Recovered, NBER working paper 24085 (Nov. 2017), *available at* https://www.nber.org/papers/w24085.pdf.

[73] Robert G. Hansen & John R. Lott, Jr., *Externalities and Corporate Objectives in a World with Diversified Shareholder/Consumers*, 31 J. Fin. & Quantitative Analysis 43, 53 (1996) ("as of 1990, 47.3 million Americans directly owned stock in public corporations and another 25.3 million owned stock mutual funds; if we consider the

Of course, we must ask of the total welfare standard the same questions asked of the other standards, an exercise to which I will now turn.

B. Would a Total Welfare Standard Be Administrable and Predictable?

Some have claimed that a total welfare standard would be more difficult to implement than the consumer welfare standard because it would require (1) all of the steps assessing price to implement the consumer welfare standard and (2) an analysis of fixed cost and marginal cost savings that are not passed on to consumers. But this misperceives the real question, which is whether total welfare is likely to increase from a particular transaction or a given type of conduct. Ken Heyer states that in many situations, the analysis "would be able to conclude from the likely magnitude of merger-specific cost savings—whether marginal or fixed—that these benefits to society would exceed any plausible deadweight welfare loss. In such cases, a total welfare standard would likely be far easier than a consumer welfare standard to apply."[74]

In fact, when the pure transfer of surplus from consumers to producers is treated as welfare neutral, which is what a total welfare standard would do, "the deadweight loss from many mergers would often be quite small relative to any significant cost savings."[75]

Indeed, for many cases, implementing a total welfare standard would not be particularly difficult. For example, naked price fixing, unaccompanied by any integration of research, production, or output, produces no measurable efficiency gains and leads directly to higher prices with a corresponding output reduction and deadweight loss.[76] "On the other side, many purely vertical practices, including vertical territorial restraints, tying or exclusive dealing, may not result in higher consumer prices at all and have efficiency benefits that serve to explain them."[77]

Moreover, we likely could streamline the analysis by using output as a proxy for total welfare. Current antitrust analysis already considers output effects so implementing the total welfare standard does not require the development of new techniques. Because changes in output provide a strong indication of total welfare effects, similar to the way that estimating price effects provides an administrable way to implement the consumer welfare standard, it appears that the total welfare standard could be administered easily.

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ultimate owner of pension funds, these numbers would be still greater. . . . In America, 9,500 stock ownership plans covered 10 million employees in 1994.").

[74] Heyer, *supra* note 63 at 163-64.

[75] *Id.* at 163 n.37.

[76] *See* Gordon Tullock, *The Welfare Costs of Tariffs, Monopolies, & Theft*, 5 WESTERN ECON. J. 224 (1967).

[77] Hovenkamp, *supra* note 28, at 2473-74.

That said, there are some thorny issues that could impact administrability. It is likely that adoption of the total welfare standard to guide antitrust analysis for the assessment of mergers and conduct would require that a competition screen be applied. That is, all conduct that reduces total welfare is not an antitrust violation. Unprofitable or ill-advised mergers are not an area for agency intervention if competition is not implicated.

Take another example. Enforcers may face a deal in which producers overseas would realize significant cost savings while U.S. consumers would experience higher prices. Under a strict application of the total welfare standard, the deal would be cleared. But is this an approach the U.S. antitrust agencies could or should embrace?

With respect to whether the standard would be predictable, under the total welfare standard, as under the current consumer welfare standard, antitrust analysis would be tethered to economic insights and evidence, thereby providing a principled framework for evaluating competitive effects and finding violations. Accordingly, it seems that this standard would provide an objective and systematic framework that could be applied consistently across cases and agencies.

C. To What Extent Would a Shift From Consumer Welfare to Total Welfare Be Outcome Determinative?

It is likely that for the vast majority of cases, there would be little difference in enforcement decisions if a total welfare standard were used instead of the current consumer welfare standard. Indeed, Hovenkamp notes that "[t]he volume and complexity of the academic debate on the general welfare compared to consumer welfare question creates an impression of policy significance that is completely belied by the case law, and largely by government enforcement policy. Few if any decisions have turned on the difference."[78]

Moreover, antitrust analysis already relies on an aggregate economic welfare standard to some extent. For instance, current antitrust law forbids monopsony even when ultimate consumers may not be harmed.[79] In *Weyerhaeuser Co. v. Ross-Simmons Hardwood Lumber Co.*,[80] a jury verdict finding a Section 2 violation was upheld. The claim was that Weyerhaeuser obtained a monopsony over red alder logs used in Pacific Northwest sawmills that excluded competing mills, even though red alder logs competed in a competitive downstream market for finished lumber.[81] The Court did not base its decision affirming liability on effects for consumers in the downstream market.

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[78] *Id.* at 2474.

[79] *See* Gregory J. Werden, *Monopsony and the Sherman Act: Consumer Welfare in a New Light*, 74 ANTITRUST L.J. 707 (2007).

[80] 127 S. Ct. 1069 (2007).

[81] *Id.* at 1076 ("case does not present . . . a risk of significantly increasing concentration in . . . the market for finished lumber").

In some circumstances, however, the total welfare standard could lead to significant differences in outcomes.[82] For example, consider a merger that leads to increased prices but also results in large fixed cost efficiencies. Under the consumer welfare standard, this transaction would be condemned; fixed cost saving typically are not passed through in the short run so consumers would face higher prices for some period. Under the total welfare standard, however, the fixed cost savings would be considered and could be sufficiently large for total welfare to increase.

Some argue that vertical restraints may be more accurately assessed under the total welfare standard. For example, for some cases involving RPM, output and total welfare could increase even though consumer surplus could fall. This outcome could arise if the loss of surplus by inframarginal consumers from the higher price exceeds the gain in surplus by marginal consumers who are attracted by increased demand-enhancing services. In this situation, assessing output under the total welfare standard could be more instructive than analyzing consumer effects.

D. What Impact Would Selection of the Total Welfare Standard Have For Efficiencies Analysis?

First, efficiencies would be more broadly cognizable than we currently permit under the Horizontal Merger Guidelines. As I have noted, fixed costs generally are not credited because they typically are not passed through to consumers in the short run.[83] A total welfare standard would capture cost reductions that would not be passed through in the short run.

Second, a total welfare standard would better enable the agencies to consider multi-market effects. Under the consumer welfare standard, efficiencies typically must affect the same relevant market in which the merger is likely to increase prices or reduce output. Although the Horizontal Merger Guidelines allow the agencies to engage in cross-market balancing in the exercise of their prosecutorial discretion, the dictates of *Philadelphia National Bank*[84] too often carry the day.[85] In contrast, under the total welfare standard, efficiencies that reduce costs in

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[82] *See* Hovenkamp, *supra* note 28 at 2480-92 ("When a practice has ambiguous effects on consumers, perhaps because it harms some but benefits others, but the effects cannot be netted out and quantified, then producer gains resulting from efficiency may become relevant. These are antitrust's hardest consumer welfare cases. In them, measurable output effects are particularly important."). Practices that fall into this category include (1) variable proportion ties, (2) ties that result in interproduct price discrimination, (3) tying and bundled discounts of imperfect complements, (4) vertical restraints and other practices used to facilitate third-degree price discrimination, and (5) resale price maintenance which causes nominally higher prices but produces services that are more valuable to some customers than to others. *Id.*

[83] *See* HORIZONTAL MERGER GUIDELINES, *supra* note 29, § 10.

[84] United States v. Philadelphia Nat'l Bank, 374 U.S. 321 (1963).

[85] *See* Christine S. Wilson, *Markets in the Balance: Efficiencies Analysis of Mergers Should Consider Multiple Markets*, LEGAL TIMES, Oct. 25, 1999, at 34.

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other markets are considered, and could justify a merger that decreases output or increases price in one particular relevant market.[86]

Third, the total welfare standard would better capture dynamic efficiencies. For instance, many firm-specific efficiencies generated by a merger may, over time, spill over to the market as a whole as other firms in the sector imitate innovations and cost-saving measures themselves.[87]

E. Other Considerations

We should consider the experience of other jurisdictions that apply the total welfare standard. It has been noted that the welfare standard employed in Canada lies somewhere between a consumer welfare and a total welfare standard.[88] The 1986 Competition Act of Canada expressly provides for an efficiencies defense for mergers that may increase prices for consumers.[89] Their experience could be instructive.

We should also consider the areas of antitrust law that could benefit from application of the total welfare standard. Ken Heyer, for example, discusses the use of the total welfare standard in the context of merger analysis.[90] I have discussed other areas like vertical restraints where there may be benefits to applying the standard. We should evaluate which categories of conduct could best be addressed by the total welfare approach, as well as those areas where application of the standard could result in anomalies – *i.e.*, outcomes inconsistent with legal or economic norms.

VI. Conclusion

At the end of the day, I return to the business school adage that what you measure is what you get. What kinds of outcomes do we want? If I have accomplished nothing else today, I hope that I have provoked you to think about whether there is a role for the total welfare standard, which would maximize efficiency and give those who wish to engage in redistribution a larger pie to share.

I am confident that the folks in this audience have many thoughts and reactions. I look forward to hearing from the antitrust bar and the academic community in the coming weeks and months.

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[86] *See also* Jan Rybnicek & Joshua D. Wright, Outside In or Inside Out? Counting Merger Efficiencies Inside and Out of the Relevant Market (March 2014), *available at* https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2411270.

[87] *See* Gary L. Roberts & Steven C. Salop, *Efficiencies in Dynamic Merger Analysis*, 19 WORLD COMP. L. & ECON. REV. 5 (1996).

[88] *See* Heyer, *supra* note 63 at 148 n.5.

[89] Competition Act of Canada, Sec. 96(1).

[90] *See* Heyer, *supra* note 63.

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UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, DC 20580

Prepared Keynote Address by Chairman Joseph J. Simons[1]

At American University Washington College of Law Conference on

Themes of Professor Jonathan Baker's New Book,

The Antitrust Paradigm: Restoring a Competitive Economy

March 8, 2019

Good afternoon. First, I want to thank Jon for asking me to participate in this event. Jon's new book, *The Antitrust Paradigm*, is a significant one.[2] Jon has called for us—courts, agencies, and legislators—to rethink and update some of the core policy choices and legal principles that we have accepted for the past quarter-century or longer.[3] Jon has had an impressive career as an academic, teacher, policy maker, enforcer, and practitioner. A limited number of people have the breadth and quality of experience that Jon possesses. So I take seriously his concerns about the failure of courts and agencies to identify and remedy anticompetitive conduct and problematic mergers.

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[1] These remarks reflect my own views. They do not necessarily reflect the views of the Commission or any other individual Commissioner.
[2] JONATHAN B. BAKER, THE ANTITRUST PARADIGM: RESTORING A COMPETITIVE ECONOMY (2019).
[3] *Id.* at 3 ("Antitrust doctrines and enforcement actions once thought adequate to protect competition are proving insufficient. Fixing the problem is urgent . . . . This book explains how to foster economic competition by strengthening antitrust.").

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I have taken what I will call a shallow dive into the body of empirical economic work Jon cites (although as time passes, my dive is getting deeper), and I have at least some tentative concerns about whether that literature supports many of his policy recommendations. Indeed, one of the themes I would like to highlight today is that we—agencies, courts, legislators—should not establish presumptions or rules that go beyond those that are supported by economic evidence. Notwithstanding any differences we may have, however, I am grateful to Jon that he has made explicit the economic support for his recommendations. All too often, critics of current antitrust doctrine and policy rely on one or a few recent papers on a topic to call for substantial revision of a body of law or practice. Maybe occasionally that is the right course, but often it merely suggests policy choices based on ideology.

As you know, the Commission is holding a series of hearings on competition and consumer protection topics that are intended to help restore or refresh a bipartisan consensus on the proper scope of antitrust enforcement and direction of antitrust policy.[4] Jon generously gave us a few copies of the proofs of his book last summer, and we consulted it extensively in preparing for these hearings. Indeed, as you read Jon's book, you will see his influence in a number of our hearings sessions. Regardless of how you interpret the existing evidence, Jon has done a substantial benefit to all of us by compiling the arguments and evidence for his views. And, I think Jon's ultimate conclusion is sound with respect to the methodology enforcers should use in changing or attempting to change legal doctrine. Jon writes:

> [W]ith an eye to persuading the Supreme Court, plaintiffs should rely heavily on arguments rooted in modern economics. Economic arguments supported by

[4] *Hearings on Competition and Consumer Protection in the 21st Century*, https://www.ftc.gov/policy/hearings-competition-consumer-protection; *see also* Press Release, *FTC Announces Hearings on Competition and Consumer Protection in the 21st Century* (June 20, 2018), https://www.ftc.gov/news-events/press-releases/2018/06/ftc-announces-hearings-competition-consumer-protection-21st.

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> economic evidence are the key to persuading a Court committed to understanding the antitrust laws as advancing economic goals.[5]

I agree with Jon and want to expand on his conclusion. We ought to pursue those policy and enforcement goals that are supported by economic evidence, including especially empirical economic evidence. Theories of harm and benefits should be validated empirically wherever possible. Using economic analysis and evidence could lead to an increase or a decrease in the level of enforcement, depending on the circumstances. I think over time, however, it is likely to lead to better enforcement decisions.

Sixteen years ago I wrote:

> In passing the Federal antitrust laws, Congress adopted an evolutionary scheme in which courts would alter doctrine by 'recognizing and adapting to changed circumstances and the lessons of accumulated experience.' Consequently, the rationality of our antitrust system requires continuing efforts to refine economic theory and empirical research, and evaluate what new strategies raise antitrust concerns and how the FTC should respond to ongoing developments.[6]

I continue to believe this approach—of evolutionary change—is the right approach. I also think it is important in maintaining or rebuilding the bipartisan consensus on antitrust that has existed for the last two to three decades. How can we operationalize this evolutionary approach at the FTC? Let me discuss three key principles:

(i) eschewing ideological attachments;

(ii) adopting presumptions and enforcement decisions based on economic evidence—preferably empirical—and not by past practice or ideological preferences; and

[5] BAKER, *supra* note 2, at 207.
[6] Joseph J. Simons, Dir., Fed. Trade Comm'n Bureau of Competition, *Report from the Bureau of Competition* (Apr. 4, 2003), https://www.ftc.gov/public-statements/2003/04/report-bureau-competition.

(iii) engaging in consistent and self-critical evaluation of policy proposals and enforcement decisions.

I discuss each of these in turn.

1. ESCHEW IDEOLOGICAL ATTACHMENTS

I mentioned earlier that critics of current antitrust doctrine and policy often place misplaced reliance on a small number of new papers. There is another, different problem: using avatars from the past—often the distant past—to call for antitrust reforms. The amount of ink and effort spent attacking Judge Bork and his version of the Chicago School in the last few years illustrates the ideological passion that, while seeming to drive some commenters, does not effectively make the case for changes or improvements to the antitrust laws. This effort seems substantially out of proportion to Judge Bork's influence on current antitrust policy and case law. Although the Judge was integral to discrediting the antitrust excesses of the 1960s and 1970s, he was much less central to what followed in terms of enforcement policy and development in the courts. Jon has a nice summary of where Judge Bork thought antitrust law should focus:

> In *The Antitrust Paradox*, Bork detailed precisely how antitrust law should be minimized. He argued that it should guard against only three classes of conduct: "naked" horizontal agreements to fix prices or divide markets, horizontal mergers creating duopolies or monopolies, and an extremely limited set of exclusionary behaviors consisting primarily of predation through abuse of governmental processes. A reformed and refocused antitrust would "abandon its concern with such beneficial practices as small horizontal mergers, all vertical and conglomerate mergers, vertical price maintenance and market division, tying arrangements, exclusive dealing and requirement contracts, 'predatory' price-cutting, price 'discrimination,' and the like."[7]

I agree with Jon that Judge Bork's set of antitrust policy preferences includes recommendations that are not sensible. So, historically, has the Commission. The FTC's enforcement record over the past two decades makes very clear that the agency has not limited

[7] Baker, *supra* note 2, at 43-44 (quoting ROBERT H. BORK, THE ANTITRUST PARADOX 406 (1993))).

its enforcement efforts to Judge Bork's narrow concerns. The Commission, under Republican and Democratic leadership, has consistently rejected the suggestion that mergers are benign unless they lead to monopoly or duopoly. The Commission regularly seeks relief in markets where a merger will eliminate one of four or five pre-merger competitors, and occasionally, we have gotten relief in even less concentrated markets. The Commission also periodically challenges "small" horizontal mergers. Neither the Commission nor the Antitrust Division has adopted a view of per se legality toward vertical mergers. The Commission has brought significant exclusive dealing cases in the last decade—*Cardinal Health*, *McWane*, and *Intel*.[8] Notably, the Commission's approach has been bipartisan. So anyone who criticizes enforcement today is criticizing what has been a durable bipartisan consensus. There is nothing wrong with that criticism, but let's not divert attention by raising Chicago School strawmen.[9]

2. PRESUMPTIONS & ENFORCEMENT SHOULD BE BASED ON ECONOMIC EVIDENCE

The primary factor in achieving long-term policy consensus is whether the preferred policy is consistent with credible and substantial economic evidence. Agencies and courts must

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[8] *In re* Cardinal Health, Inc., FTC File No. 101–0006 (Apr. 20, 2015), https://www.ftc.gov/enforcement/cases-proceedings/101-0006/cardinal-health-inc;
In re McWane, Inc., and Star Pipe Products, Ltd., FTC File 101-0080b (Apr. 17, 2015), https://www.ftc.gov/enforcement/cases-proceedings/101-0080b/mcwane-inc-star-pipe-products-ltd-matter;
In re Intel Corporation, FTC File No. 061-0247 (Nov. 2, 2010), https://www.ftc.gov/enforcement/cases-proceedings/061-0247/intel-corporation-matter.

[9] *See* William E. Kovacic, *The Intellectual DNA of Modern U.S. Competition Law for Dominant Firm Conduct: The Chicago/Harvard Double Helix*, 2007 COLUM. BUS. L. REV. 1, 13-14 (2007).

> [T]he intellectual DNA of U.S. antitrust doctrine governing single-firm conduct today is not exclusively or predominantly a single strand of Chicago School ideas. Rather, the intellectual DNA of modern U.S. antitrust doctrine is chiefly a double helix that consists of two intertwined chains of ideas, one drawn from the Chicago School of Robert Bork, Richard Posner, and Frank Easterbrook, and the other drawn from the Harvard School of Phillip Areeda, Donald Turner, and Stephen Breyer. In the combination of Chicago School and Harvard School perspectives, one sees shared prescriptions about the appropriate substantive theories for antitrust enforcement involving dominant firm conduct (Chicago's main contribution to the double helix) and cautions about the administrability of legal rules and the capacity of the institutions entrusted with implementing them (Harvard's main contribution to the double helix).

be careful about accepting or creating presumptions without a strong economic (preferably empirical) basis. Both the courts and the agencies, however, have been guilty of moving the law beyond what the economic literature would justify, but there are also areas where this agency has undertaken substantial empirical work that eventually supported presumptions or approaches on a strong bipartisan basis. I will describe a couple of examples from both buckets:

- Bucket 1: Where presumptions or approaches were not supported by economic evidence; and
- Bucket 2: Where they were supported by economic evidence.

(i) *Horizontal Merger Guidelines* & General Standards for Market Concentration

My first cautionary example involves the 2010 *Horizontal Merger Guidelines* (although one can credibly argue the *Guidelines* fall into either bucket).[10] The 2010 *Horizontal Merger Guidelines* substantially revised the agencies' market concentration thresholds and the presumptions that attach to them. Before the 2010 revision, both the 1982 and 1992 *Horizontal Merger Guidelines* presumed, as anticompetitive, mergers in markets with Herfindahl-Hirschman Indices ("HHIs") above 1800 and a delta of at least 100 points. In 2010, the agencies made a substantial adjustment to that nearly thirty-year old presumption. The presumption now attaches where the post-merger HHI exceeds 2500, and the delta is at least 200 points.[11] This is a significant change: it identifies mergers as potentially presumptively illegal only in those markets that have the equivalent of four (or fewer) equally sized firms, rather than the earlier standard of six (or fewer).

The changes in presumptions were not in response to new or previously existing empirical measurements of concentration and competitiveness of markets. Rather, the changes

[10] U.S. DEP'T OF JUSTICE & FED. TRADE COMM'N, HORIZONTAL MERGER GUIDELINES § 5.3 (2010).
[11] *Id*.

reflected the two agencies' enforcement experiences. In other words, the changes reflected what the agencies were doing, not what any empirical studies signaled they should do.[12] DOJ data is not public but FTC data is—and it is clear that a substantial percentage of mergers the Commission challenged in the fifteen years preceding the release of the 2010 *Guidelines* were in markets where the post-merger concentration level was in excess of 2500, and the change in concentration was in excess of 200 points. So do we conclude that there was no economic evidence to support the *Merger Guidelines* thresholds?

I don't think so. Here's one way to think about it. The original 1968 DOJ *Merger Guidelines* were based, at least arguably or roughly, on the economic evidence existing at the time.[13] But that evidence was shortly thereafter discredited,[14] suggesting that enforcement had been off the mark (usually erring in the direction of being too strict). With the empirical basis for enforcement gone, the agencies had no choice but to work their way through merger analysis on a case-by-case basis, which resulted in gradually increasing the concentration level at which enforcement concerns would arise. This approach was not unlike the institutional/case study approach that was common in economic journals at the time. Rather than relying on cross-sectional regressions, this approach consisted of an in-depth study of the industry at issue in each case, to reach a conclusion on likely competitive effects.

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[12] *See* Malcolm B. Coate & Joseph J. Simons, *Continuity and Change in the 2010 Merger Guidelines,* CPI ANTITRUST J. (Oct. 28, 2010); Timothy J. Muris & Bilal Sayyed, *Three Key Principles for Revising the Horizontal Merger Guidelines*, ANTITRUST SOURCE (Apr. 2010).

[13] Mark J. Niefer, *Donald F. Turner at the Antitrust Division: A Reconsideration of Merger Policy in the 1960s*, ANTITRUST (Summer 2015).

[14] *See* Harold Demsetz, *Industry Structure, Market Rivalry, and Public Policy*, 16 J. L. & ECON. 1 (1973); Timothy Bresnahan, *Empirical Studies of Industries with Market Power*, 2 HANDBOOK OF INDUS. ORG. 1011 (Richard Schmalensee & Robert Willig eds., 1989); Richard Schmalensee, *Inter-Industry Studies of Structure and Performance*, 2 HANDBOOK OF INDUS. ORG. 951; William N. Evans et al., *Endogeneity in the Concentration-Price Relationship: Causes, Consequences, and Cures*, 41 J. INDUS. ECON. 431 (1993).

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I should note that Jon Baker played a significant role in merger enforcement during part of this time period as Director of the Bureau of Economics from 1995 to 1998, and I am confident Jon thought he was applying good economics and using reliable economic evidence.

More recently, however, empirical merger retrospectives (primarily using a difference-in-difference approach) have raised the possibility of testing the results of our institutional/case studies approach more directly and systematically.[15] And indeed, there is a growing literature on merger retrospectives, which Jon cites as evidence that our enforcement has been too lax.[16] What is one to make of this? My own view is that historic merger enforcement over the last two or three decades was based on the best available economic analysis at the time, but that new methods (e.g., merger retrospectives) may allow us to test the accuracy of our case-by-case industry analysis.

As a result, we are carefully reviewing the existing merger retrospective evidence to see whether adjustments to the *Horizontal Merger Guidelines* thresholds are appropriate. And even if the evidence does not support such adjustments now, we are studying how to put in place a systematic program of merger retrospectives that will help us determine whether changes are appropriate in the future. This would include testing the accuracy of the more recently developed economic tools, such as merger simulations and gross upward pricing pressure indices ("GUPPIs").

[15] *See* JOHN KWOKA, MERGERS, MERGER CONTROL, AND REMEDIES (2015). *But see* Michael Vita & F. David Osinski, *John Kwoka's Mergers, Merger Control, and Remedies: A Critical Review*, 82 ANTITRUST L.J. 361 (2018).
[16] BAKER, *supra* note 2, at 15.

(ii) Exchange of Past Compensation Information

My second example regarding presumptions is a more cautionary one, and comes from the 1996 *Statements of Antitrust Enforcement Policy in Health Care*.[17] Statement Six is particularly relevant because both agencies are now devoting more attention to competition in labor markets and how certain conduct, including mergers, may impact competition in those markets.

Statement Six indicates that the antitrust agencies will not challenge health care provider participation in wage surveys if: (i) the information to be shared is based on data more than three months old; (ii) there are at least five providers reporting data; (iii) no one provider's data represents more than 25 percent of the total; and (iv) the data are sufficiently aggregated.[18] Through DOJ Business Review Letters, this safe harbor has been extended to the sharing of compensation information in industries other than health care.[19]

I am not sure we have (or had in 1996) sufficient understanding of these labor markets to identify a safe harbor for the sharing of such fresh compensation information. This safe harbor was created and extended without inquiry into the relevant labor markets and without the benefit of any empirical economic analysis that I am aware of. I believe both agencies need to devote substantial thought to the operation of and degree of competition in labor markets, and the factors that may affect their competitiveness. This thinking ought to inform many aspects of the

[17] U.S. DEP'T OF JUSTICE & FED. TRADE COMM'N, STATEMENTS OF ANTITRUST ENFORCEMENT POLICY IN HEALTH CARE (1996).
[18] *Id.* at Statement Six.
[19] *See, e.g.*, Letter from Charles A. James, Assistant Attorney General to Alan P. Sherbrooke, Esq. (Oct. 25, 2001), https://www.justice.gov/atr/response-foss-maritime-company-request-business-review-letter (responding to request for business review letter from Foss Maritime related to exchange of cost information); Letter from John M. Nannes, Acting Assistant Attorney General, to Daniel R. Barney, Esq. (Mar. 27, 2001), https://www.justice.gov/atr/response-truckload-carriers-associations-request-business-review-letter (responding to request for a business review letter from the Truckload Carriers Association related to proposed information exchanges).

analysis, including at what point the exchange of relatively current wage and compensation information is unlikely to be harmful.

(iii) Restrictions on Advertising

Now to the positive examples—by which I mean presumptions that are supported by empirical research. One of the best examples is the empirical work relating to advertising restrictions.

It was not intuitive that advertising restrictions limit price and quality competition without sufficient offsetting positive effects. Advertising restrictions were both ubiquitous among professional associations and accepted as ethical and beneficial, or at least not thought likely to be competitively harmful. The Commission produced much of the economic literature that addressed both the costs and benefits of restraints on advertising, including restraints on advertising by professional associations. This economic literature provided the basis for the Commission's long-term and consistent challenge to advertising restrictions as anticompetitive. In the "Three Tenors" case, the Commission relied on this work to classify the advertising restrictions among joint venture partners as "inherently suspect"[20]—a finding of presumptive illegality upheld by the D.C. Circuit.[21]

(iv) Hospital Merger Retrospectives

My final example involves hospital mergers. In the 1990s, the government lost a large number of hospital merger cases in a row, and both agencies considered whether to give up on hospital merger enforcement. The Commission did not take that route. Instead, under the

[20] Opinion of the Federal Trade Commission, *In the Matter of Polygram Holding, Inc.* (Docket No. 9298), n. 52 (July 28, 2003), https://www.ftc.gov/sites/default/files/documents/cases/2003/07/polygramopinion.pdf (identifying 17 empirical studies).
[21] Polygram Holding, Inc. v. FTC, 416 F.3d 29 (D.C. Cir. 2005).

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direction of then-Chairman Muris, the Bureau of Economics conducted empirical economic studies that demonstrated the anticompetitive effects of certain past hospital mergers.[22]

I won't dwell on this past experience though. Rather, I want to emphasize that this effort continues in other areas. A current example is our efforts to understand the price and quality effects of Certificates of Public Advantage, or COPAs. In the last few years, the Commission was twice stymied in its efforts to prevent what staff believed were anticompetitive mergers.[23] In these cases, state legislatures took steps purporting to grant the combining hospitals state action immunity through the use of cooperative agreements between the hospitals and the state. These agreements contained various operating requirements, including price and quality components intended to mimic the effects of competition. The Bureau of Economics, working in conjunction with a former Bureau of Economics economist, has initiated studies of the price effects associated with two merged hospital systems operating under the restrictions of a COPA. We are skeptical that regulation can mimic the benefits of competition, but we are going to test that proposition; eventually we hope to have in-hand a body of research that will further support our efforts to prevent and remedy anticompetitive mergers in hospital markets.[24]

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[22] *See* David J. Balan & Patrick S. Romano, *A Retrospective Analysis of the Clinical Quality Effects of the Acquisition of Highland Park Hospital by Evanston Northwestern Healthcare* (Fed. Trade Comm'n Bureau of Economics, Working Paper No 307, 2010), *available at* http://www.ftc.gov/be/workpapers/wp307.pdf; Christopher Garmon & Deborah Haas-Wilson, *Two Hospital Mergers on Chicago's North Shore: A Retrospective Study*, 18 INT'L J. ECON. BUS. 17 (2011); Steven Tenn, *The Price Effects of Hospital Mergers: A Case Study of the Sutter-Summit Transaction* (Fed. Trade Comm'n Bureau of Economics, Working Paper No. 293, 2008), *available at* http://www.ftc.gov/be/workpapers/wp293.pdf; Michael G. Vita & Seth Sacher, *The Competitive Effects of Not-for-Profit Hospital Mergers: A Case Study*, 49 J. INDUS. ECON. 63 (2001).

[23] *See* FTC Staff Submission to the Tennessee Department of Health Regarding the Certificate of Public Advantage Application of Mountain States Health Alliance and Wellmont Health System, (Nov. 2016), https://www.ftc.gov/policy/advocacy/advocacy-filings/2016/11/ftc-staff-submission-tennessee-department-health-regarding; FTC Press Release, FTC Dismisses Complaint Challenging Merger of Cabell Huntington Hospital and St. Mary's Medical Center (July 6, 2016), https://www.ftc.gov/news-events/press-releases/2016/07/ftc-dismisses-complaint-challenging-merger-cabell-huntington.

[24] Press Release, *FTC to Hold Workshop on Certificates of Public Advantage in Healthcare Markets* (Apr. 12, 2019), https://www.ftc.gov/news-events/press-releases/2019/04/ftc-hold-workshop-certificates-public-advantage-healthcare.

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3. CONSISTENT AND CRITICAL EVALUATION

Now to the last of the three key principles for bipartisan evolutionary change. I believe a necessary factor in achieving and maintaining a new antitrust consensus is a willingness to evaluate critically and consistently the results of agency or court decisions. Academics and practitioners undertake some of this evaluation through their commentary on agency actions and court decisions, and on legislative proposals. But, the enforcement community must remain willing to evaluate its own past enforcement and policy decisions, and to criticize past efforts if the evidence warrants it. The FTC has a long history of such internal evaluation, and that effort must continue. As you know, we are holding a series of hearings designed precisely to do that.[25]

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Unless we restore our previously long-lived antitrust consensus, I am concerned that antitrust enforcement is in danger of becoming politicized and political, unmoored from any common principles, and inconsistent across future administrations. This would be bad not only for antitrust enforcement; it would also harm the development of the case law because the antitrust agencies, through the cases they litigate and the positions they take before the courts, can and do affect the direction of the law. Agencies that change their viewpoints significantly because of the political party of their leadership—rather than because of economic evidence—will have a significant negative effect on our nation's antitrust enterprise, and that would be detrimental to our economy and our country. Instead, we should continually evaluate our antitrust enterprise and strive to base our antitrust enforcement on sound economic evidence and analysis. This, in my view, is our best hope for reviving and maintaining a strong bipartisan

[25] *Hearings on Competition and Consumer Protection in the 21st Century*, https://www.ftc.gov/policy/hearings-competition-consumer-protection; *see also* Press Release, *FTC Announces Hearings on Competition and Consumer Protection in the 21st Century* (June 20, 2018), https://www.ftc.gov/news-events/press-releases/2018/06/ftc-announces-hearings-competition-consumer-protection-21st.

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antitrust consensus. Whether or not you agree with the conclusions in Jon's book, his work moves us along in this effort to seek bipartisan consensus by fostering serious dialogue. Thank you, Jon.

FEDERAL TRADE COMMISSION
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For Release

FTC Sues Facebook for Illegal Monopolization

Agency challenges Facebook's multi-year course of unlawful conduct

December 9, 2020

Tags: Competition | Bureau of Competition | Merger | Nonmerger | Single Firm Conduct | Unfair Methods of Competition | Big Data | Technology

The Federal Trade Commission today sued Facebook , alleging that the company is illegally maintaining its personal social networking monopoly through a years-long course of anticompetitive conduct. Following a lengthy investigation in cooperation with a coalition of attorneys general of 46 states, the District of Columbia, and Guam, the complaint alleges that Facebook has engaged in a systematic strategy—including its 2012 acquisition of up-and-coming rival Instagram, its 2014 acquisition of the mobile messaging app WhatsApp, and the imposition of anticompetitive conditions on software developers—to eliminate threats to its monopoly. This course of conduct harms competition, leaves consumers with few choices for personal social networking, and deprives advertisers of the benefits of competition.

The FTC is seeking a permanent injunction in federal court that could, among other things: require divestitures of assets, including Instagram and WhatsApp; prohibit Facebook from imposing anticompetitive conditions on software developers; and require Facebook to seek prior notice and approval for future mergers and acquisitions.

"Personal social networking is central to the lives of millions of Americans," said Ian Conner, Director of the FTC's Bureau of Competition. "Facebook's actions to entrench and maintain its monopoly deny consumers the benefits of competition. Our aim is to roll back Facebook's anticompetitive conduct and restore competition so that innovation and free competition can thrive."

Video by Ian Conner, Director of the Bureau of Competition

0:00

Download MP4 (11.43 MB)

Statement by Ian Conner, Director of the Bureau of Competition

According to the FTC's complaint, Facebook is the world's dominant personal social networking service and has monopoly power in a market for personal social networking services. This unmatched position has provided Facebook with staggering profits. Last year alone, Facebook generated revenues of more than $70 billion and profits of more than $18.5 billion.

Anticompetitive Acquisitions

According to the FTC's complaint, Facebook targeted potential competitive threats to its dominance. Instagram, a rapidly growing startup, emerged at a critical time in personal social networking competition, when users of personal social networking services were migrating from desktop computers to smartphones, and when consumers were increasingly embracing photo-sharing. The complaint alleges that Facebook executives, including CEO Mark Zuckerberg, quickly recognized that Instagram was a vibrant and innovative personal social network and an existential threat to Facebook's monopoly power.

The complaint alleges that Facebook initially tried to compete with Instagram on the merits by improving its own offerings, but Facebook ultimately chose to buy Instagram rather than compete

with it. Facebook's acquisition of Instagram for $1 billion in April 2012 allegedly both neutralizes the direct threat posed by Instagram and makes it more difficult for another personal social networking competitor to gain scale.

Around the same time, according to the complaint, Facebook perceived that "over-the-top" mobile messaging apps also presented a serious threat to Facebook's monopoly power. In particular, the complaint alleges that Facebook's leadership understood—and feared—that a successful mobile messaging app could enter the personal social networking market, either by adding new features or by spinning off a standalone personal social networking app.

The complaint alleges that, by 2012, WhatsApp had emerged as the clear global "category leader" in mobile messaging. Again, according to the complaint, Facebook chose to buy an emerging threat rather than compete, and announced an agreement in February 2014 to acquire WhatsApp for $19 billion. Facebook's acquisition of WhatsApp allegedly both neutralizes the prospect that WhatsApp itself might threaten Facebook's personal social networking monopoly and ensures that any future threat will have a more difficult time gaining scale in mobile messaging.

Anticompetitive Platform Conduct

The complaint also alleges that Facebook, over many years, has imposed anticompetitive conditions on third-party software developers' access to valuable interconnections to its platform, such as the application programming interfaces ("APIs") that allow the developers' apps to interface with Facebook. In particular, Facebook allegedly has made key APIs available to third-party applications *only* on the condition that they refrain from developing competing functionalities, and from connecting with or promoting other social networking services.

The complaint alleges that Facebook has enforced these policies by cutting off API access to blunt perceived competitive threats from rival personal social networking services, mobile messaging apps, and other apps with social functionalities. For example, in 2013, Twitter launched the app Vine, which allowed users to shoot and share short video segments. In response, according to the complaint, Facebook shut down the API that would have allowed Vine to access friends via Facebook.

The lawsuit follows an investigation by the FTC's Technology Enforcement Division, whose staff cooperated closely with a coalition of attorneys general, under the coordination of the New York State Office of the Attorney General. Participating Attorneys General include: Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Guam, Hawaii, Idaho,

Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

The Commission vote to authorize staff to file for a permanent injunction and other equitable relief in the U.S. District Court for the District of Columbia was 3-2. Commissioners Noah Joshua Phillips and Christine S. Wilson voted no.

NOTE: The Commission issues a complaint when it has "reason to believe" that the law has been or is being violated, and it appears to the Commission that a proceeding is in the public interest.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about how competition benefits consumers or file an antitrust complaint.

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FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

FTC, DOJ Temporarily Suspend Discretionary Practice of Early Termination

February 4, 2021

Tags: Competition | Commissioners | Bureau of Competition | Merger | Hart-Scott-Rodino Act (HSR) | Coronavirus (COVID-19)

During the transition to the new Administration and given the unprecedented volume of HSR filings for the start of a fiscal year, the Federal Trade Commission, with support from the Antitrust Division of the U.S. Department of Justice, will be reviewing the processes and procedures used to grant early termination to filings made under the Hart-Scott-Rodino Act.

For this period, the agencies will not grant early terminations. We anticipate that this temporary suspension will be brief. The agencies implemented a similar temporary suspension of early termination grants in March 2020, following the Premerger Notification Office's establishment of its e-filing system.

"We, as an agency and a country, are in unprecedented times, and our obligation is to be responsive to these circumstances, in this case by temporarily suspending early termination," said Rebecca Kelly Slaughter, Acting Chairwoman of the Federal Trade Commission. "The law provides 30 days for the agencies to review the competitive implications of transactions. Given the confluence of an historically unprecedented volume of filings during a leadership transition amid a pandemic, we will presume we need those 30 days to ensure we are doing right by competition and consumers."

"We support the FTC's decision to temporarily suspend early termination grants to ensure appropriate review of transactions during this challenging transition period," said Richard A. Powers, Deputy Assistant Attorney General and Senior Supervisory Official of the Department of Justice's Antitrust Division.

Under the HSR Premerger Notification Program, companies report some proposed mergers and acquisitions to the government before they occur, and the agencies identify and challenge those transactions that may substantially lessen competition in violation of federal law. During the preliminary review, the parties must wait 30 days (15 days in the case of a cash tender or bankruptcy transaction) before closing their deal. Based on what the agency finds, it can: 1) terminate the waiting period and allow the parties to consummate their transaction (this action often is referred to as an "early termination"); 2) let the waiting period to expire, which allows the parties to consummate the transaction; or 3) if the initial review has raised competition issues, the agency may extend the review and ask the parties to turn over more information so it can take a closer look at how the transaction will affect competition (this action often is referred to as a "second request.")

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For Release

FTC Orders the Divestiture of Hundreds of Retail Stores Following 7-Eleven, Inc.'s Anticompetitive $21 Billion Acquisition of the Speedway Retail Fuel Chain

Proposed order prohibits 7-Eleven from enforcing noncompete provisions for franchisees or employees working at or doing business with divested assets

June 25, 2021

Tags: Competition | Bureau of Competition | Merger | Horizontal | Energy | Gasoline | Retail | Grocery/Supermarkets

7-Eleven, Inc. and Marathon Petroleum Corporation have agreed to divest hundreds of stores used to sell gasoline and diesel fuel in 293 local markets across 20 states to settle Federal Trade Commission charges that 7-Eleven 's acquisition of Marathon's Speedway subsidiary violated federal antitrust laws. 7-Eleven consummated the acquisition on May 14, 2021, even though the company knew the acquisition violated Section 7 of the Clayton Act and Section 5 of the FTC Act.

A subsidiary of the Tokyo-based Seven & i Holdings Co., Ltd., 7-Eleven owns, operates, and franchises approximately 9,000 convenience stores in the United States, making it the largest U.S. convenience store chain. Almost half of 7-Eleven's stores also sell fuel. Marathon operates a vertically integrated refining, marketing, retail, and transportation system for petroleum and petroleum products; prior to closing, Marathon controlled Speedway, which operates almost 4,000 retail fuel outlets across the United States.

According to the complaint, markets for retail gasoline and retail diesel fuel are highly localized, and consumers have no economic or practical alternatives to the retail sale of gasoline or diesel fuel. The

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complaint alleges that the acquisition will harm competition for the retail sale of fuel in 293 local markets across Arizona; California; Florida; Illinois; Indiana; Kentucky; Massachusetts; Michigan; North Carolina; New Hampshire; Nevada; New York; Ohio; Pennsylvania; Rhode Island; South Carolina; Tennessee; Utah; Virginia, and West Virginia. In 140 of those markets, competition for retail sale of gas will be harmed; in 29 markets, competition for retail sale of diesel will be harmed, and in 124 markets, competition for retail sale of both types of products will be harmed.

The complaint alleges that without a remedy, the acquisition reduces the number of independent competitors to three or fewer in each of the 293 markets.

Under the terms of the proposed consent order, 7-Eleven, Inc. and Marathon are required to divest 124 retail fuel outlets to Anabi Oil, comprising 123 Speedway outlets and one 7-Eleven outlet. They are also required to divest 106 retail fuel outlets to Cross America Partners, comprising 105 Speedway outlets and one 7-Eleven outlet. And they must divest 63 Speedway retail fuel outlets to Jacksons Food Stores.

In addition, to remove impediments that could prevent the buyers from competing vigorously in these markets, the proposed order also prohibits 7-Eleven from enforcing any noncompete provisions as to any franchisees or employees working at or doing business with the divested assets.

The proposed order also requires 7-Eleven, Inc. and Marathon, for a period of five years, to obtain prior Commission approval before purchasing any of the divested outlets. For 10 years, the companies must provide prior notice of future acquisitions of the divested assets and other assets identified by the Commission within the 293 local markets at issue, plus an additional three markets. Acquisitions in these markets likely would raise the same competitive concerns but may fall below the Hart-Scott-Rodino Act premerger notification thresholds.

Further details about the consent order – which requires the companies to designate an asset maintenance manager, and appoints The Claro Group as an independent third-party monitor to ensure their compliance with the order and to oversee the asset maintenance manager – are set forth in the analysis to aid public comment for this matter.

FTC staff would like to thank the Florida Attorney General's Office and the California Department of Justice for their close cooperation throughout this investigation.

The Commission vote to issue the complaint and accept the proposed consent order for public comment was 4-0-1, with Chair Lina Khan not participating. The FTC will publish the consent agreement package in the Federal Register shortly. Instructions for filing comments appear in the published notice. Comments must be received 30 days after publication in the Federal Register. Once processed, comments will be posted on Regulations.gov.

NOTE: The Commission issues an administrative complaint when it has "reason to believe" that the law has been or is being violated, and it appears to the Commission that a proceeding is in the public interest. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of up to $43,792.

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AR_001778

FEDERAL TRADE COMMISSION
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For Release

FTC Staff Presents Report on Nearly a Decade of Unreported Acquisitions by the Biggest Technology Companies

Report analyzes acquisitions by Alphabet/Google, Amazon, Apple, Facebook, and Microsoft

September 15, 2021

Tags: Competition | Office of Policy Planning | Bureau of Competition | Bureau of Economics | Technology | Mobile

At an open Commission meeting today, the Federal Trade Commission staff presented findings from its inquiry into past acquisitions by the largest technology platforms' that did not require reporting to antitrust authorities at the FTC and the Department of Justice.

Launched in February 2020, the inquiry analyzed the terms, scope, structure, and purpose of these exempted transactions under the Hart-Scott-Rodino (HSR) Act and the Commission's reporting requirements by Alphabet Inc., Amazon.com, Inc., Apple Inc., Facebook, Inc., and Microsoft Corp. between Jan. 1, 2010 and Dec. 31, 2019. These companies comprise the top five U.S. companies by market capitalization.

Under the HSR Act, the FTC and the Department of Justice review most proposed transactions that affect commerce in the United States and are valued over a prescribed size threshold. Either agency can take legal action to block deals "in any line of commerce" that it believes may "lessen competition, or to tend to create a monopoly."

"While the Commission's enforcement actions have already focused on how digital platforms can buy their way out of competing, this study highlights the systemic nature of their acquisition strategies,"

said Chair Lina M. Khan. "It captures the extent to which these firms have devoted tremendous resources to acquiring start-ups, patent portfolios, and entire teams of technologists—and how they were able to do so largely outside of our purview."

The technology platform inquiry focused on 616 transactions (that exclude hiring events and patent acquisitions) valued at or above $1 million. Among the key findings:

- Of the 616 transactions, 94 exceeded the HSR Size of Transaction threshold. (Although most transactions that exceed the size threshold must be reported, in some instances parties may not need to file if certain other criteria are met or statutory or regulatory exemptions apply.)
- In 36 percent of the transactions, the acquirer assumed some amount of debt or liabilities. When added to the purchase price of the target, such debts and liabilities would have tipped the purchase amount of three transactions above the HSR Size of Transaction threshold. That is, three more transactions would have been added to the 94 transactions already above the HSR Size of Transaction threshold.
- More than 79 percent of transactions used deferred or contingent compensation to founders and key employees, with relatively small variation across the five respondents. Higher value transactions were more likely to use deferred or contingent compensation. Of the transactions reported, nine additional transactions would have exceeded the HSR Size of Transaction threshold (i.e., in addition to the 94 transactions already above the HSR Size of Transaction threshold) at the time of their consummation when adding the deferred or contingent compensation to their purchase price.
- More than 75 percent of transactions included non-compete clauses for founders and key employees of the acquired entities, with little variation in the percentage of transactions that had non-compete clauses across the five respondents. Higher value transactions were more likely to use non-compete clauses.
- The number of transactions in each of five transaction size ranges – starting at between $1 million and $5 million and ending at between $50 million and the Hart-Scott-Rodino Size-of-Transaction threshold – fluctuated but generally trended up over the 2010 to 2019 time period. Of the 616 transactions, 65 percent were between $1 million and $25 million.
- Asset and control transactions, including voting security control and non-corporate interest control transactions, were the most common in each transaction range. For transactions exceeding $5 million, the majority were control transactions. Moreover, higher-value transactions were more likely to be control acquisitions.

- The majority of transactions in each transaction range were for domestic firms, with roughly two thirds of the entities acquired in each transaction range being domestic.
- At least 39.3 percent of the transactions in which the target company's age was available involved firms that, as of the time of the consummation of the transaction, were less than five years old.
- In more than half the transactions for which the respondents provided the number of the target company's full-time non-sales employees, the number was between one and 10. Employee counts correlate positively with the size of the transaction.
- The total number of transactions per calendar year across the five respondents ranged from 43 at its lowest per calendar year (in 2012) to 79 at its highest (in 2014), and remained relatively higher in 2015-2019 (ranging from 63 to 74 transactions) than in 2010-2013 (ranging from 43 to 63 transactions).

To conduct this inquiry, the Commission issued Special Orders to these companies, requiring them to provide information about prior acquisitions not reported to the antitrust agencies under the Hart-Scott-Rodino Act. These orders were issued under Section 6(b) of the FTC Act, which authorizes the Commission to conduct wide-ranging studies that do not have a specific law enforcement purpose.

The Commission voted 5-0 to make the report public. Chair Khan and Commissioners Rohit Chopra and Rebecca Kelly Slaughter each issued separate statements.

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Press Release Reference

FTC to Examine Past Acquisitions by Large Technology Companies

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STATEMENT OF THE COMMISSION ON USE OF PRIOR APPROVAL PROVISIONS IN MERGER ORDERS

On July 21, 2021, the Commission voted to rescind the 1995 Policy Statement on Prior Approval and Prior Notice Provisions ("1995 Statement").[1] The 1995 Statement ended the Commission's then-longstanding practice of incorporating prior approval and prior notice provisions in Commission orders addressing mergers. With the rescission of the 1995 statement, the Commission returns now to its prior practice of routinely requiring merging parties subject to a Commission order to obtain prior approval from the FTC before closing *any* future transaction affecting each relevant market for which a violation was alleged. This is a critical tool that serves several Commission interests:

- *Preventing facially anticompetitive deals.* Too many deals that should have died in the boardroom get proposed because merging parties are willing to take the risk that they can 'get their deal done' with minimal divestitures. Acquisitive firms in particular are too willing to roll the dice on an anticompetitive deal because there are few downsides (from their perspective) to their long-term strategy that contemplates other acquisitions down the road. Parties pursuing facially anticompetitive deals should now know that they are at risk of being subject to a prior approval provision.

- *Preserving Commission resources.* Challenging anticompetitive mergers—through litigation or settlement—is a resource intensive enterprise that puts pressure on the Commission's limited staff and budget. Where the Commission has expended those resources to understand the competitive dynamics and market structure of a particular market, the Commission should not have to incur additional costs by either (1) re-reviewing the same transaction on numerous occasions or (2) reviewing a similar transaction by one of the merging parties in the same market. Investigating the likely effects of a proposed merger under a prior approval provision is much different than a similar investigation under the strictures of the Hart-Scott-Rodino Act ("HSR"), where the merging parties can force a Commission decision to sue. Conducting merger review after a petition for prior approval would allow the Commission to husband its scarce resources without the brinksmanship we encounter during HSR reviews.

- *Detecting anticompetitive deals below the HSR reporting thresholds.* Incorporating prior approval provisions in Commission orders reduces the risk that the Commission will not

[1] Press Release, Fed Trade Comm'n, FTC Rescinds 1995 Policy Statement that Limited the Agency's Ability to Deter Problematic Mergers (July 21, 2021), https://www.ftc.gov/news-events/press-releases/2021/07/ftc-rescinds-1995-policy-statement-limited-agencys-ability-deter.

learn of harmful mergers that do not trigger federal antitrust reporting requirements. That risk is especially acute for merging parties with a history of attempting anticompetitive transactions. Absent these provisions, the Commission often learns about these deals without sufficient time to investigate and, if necessary, block the transaction.

Going forward, the Commission returns to its prior practice of including prior approval provisions in all merger divestiture orders for every relevant market where harm is alleged to occur, for a minimum of ten years. The Commission is less likely to pursue a prior approval provision against merging parties that abandon their transaction prior to certifying substantial compliance with the Second Request (or in the case of a non-HSR reportable deal, with any applicable Civil Investigative Demand or Subpoena *Duces Tecum*). This should signal to parties that it is more beneficial to them to abandon an anticompetitive transaction before the Commission staff has to expend significant resources investigating the matter.

In addition, from now on, in matters where the Commission issues a complaint to block a merger and the parties subsequently abandon the transaction, the agency will engage in a case-specific determination as to whether to pursue a prior approval order, focusing on the factors identified below with respect to use of broader prior approval provisions. The fact that parties may abandon a merger after litigation commences does not guarantee that the Commission will not subsequently pursue an order incorporating a prior approval provision.

Use of Broader Prior Approvals Where Additional Relief Needed. In some situations where stronger relief is needed, the Commission may decide to seek a prior approval provision that covers product and geographic markets beyond just the relevant product and geographic markets affected by the merger. The following non-exhaustive list of factors will be relevant to this determination. No single factor is dispositive; rather, the Commission will take a holistic view of the circumstances when determining the length and breadth of prior approval provisions.

1. *Nature of the transaction.* Whether the merging parties are attempting a transaction that is substantially similar to a transaction that was previously challenged by the Commission—even if the prior matter was not litigated (i.e., even if the parties previously abandoned the transaction). A subsequent transaction is "substantially similar" to a prior transaction if it includes some or all of the assets implicated in a prior transaction challenged by the Commission. Similarly relevant is whether either party had been subject to a merger enforcement action in the same relevant market.

2. *Level of market concentration.* Whether the relevant market alleged is already concentrated or has seen significant consolidation in the previous ten years.

3. *The degree to which the transaction increases concentration.* Whether the transaction significantly increases concentration.

4. *The degree to which one of the parties pre-merger likely had market power.* Whether, pre-merger, one of the parties likely had market power. There may be instances where the combination of a nascent or fringe competitor with a company with a high market share does not increase concentration much but raises significant competitive concerns.

5. *Parties' history of acquisitiveness.* Whether either party to the transaction has a history of, or has indicated a desire to enter into, acquisitions in the same relevant market, in related markets (i.e., upstream or downstream firms), or in adjacent or complementary products or geographic areas.

6. *Evidence of anticompetitive market dynamics.* Whether the market characteristics create an ability or incentive for anticompetitive market dynamics post-transaction.

Divestiture Buyers. The Commission will also require buyers of divested assets in Commission merger consent orders to agree to a prior approval for any future sale of the assets they acquire in divestiture orders, for a minimum of ten years. This will ensure that the divested assets are not later sold to an unsuitable firm that would contravene the purpose of the Commission's order. The Commission has on occasion in the past required divestiture buyers to agree to such prior approval terms; going forward the Commission intends to require all buyers to do so.

FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

FTC Imposes Strict Limits on DaVita, Inc.'s Future Mergers Following Proposed Acquisition of Utah Dialysis Clinics

Dialysis service provider with history of fueling consolidation must seek FTC approval prior to any new deals; Agency policy statement confirms return of prior approval as standard practice

October 25, 2021

Tags: Competition | Bureau of Competition | Merger | Health Care | Hospitals and Clinics

The Federal Trade Commission issued a proposed order imposing strict limits on future mergers by DaVita, Inc., a dialysis service provider with a history of fueling consolidation in life-saving health industries. The order follows allegations that DaVita's proposed acquisition of the University of Utah Health's dialysis clinics would reduce competition in vital outpatient dialysis services in the Provo, Utah market. Under the proposed order, DaVita is required to divest three Provo-area dialysis clinics to Sanderling Renal Services, Inc. and prohibited from entering into or enforcing non-compete agreements and other employee restrictions. The FTC investigated this case in collaboration with the Utah Attorney General's Office.

"DaVita has a history of attempting to buy up competing dialysis clinics in an industry that is already highly concentrated, in large part due to the acquisition activity of DaVita and other large dialysis clinic chains," said Bureau of Competition Director Holly Vedova. "This is a big concern, and it is compounded by the fact that the limited number of nephrologists available to work at the clinics creates an opportunity for anticompetitive restrictions on labor. To address these concerns, the Commission's order includes important provisions that guard against restrictions on worker mobility

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and protect Utah consumers from other anticompetitive practices in this critical, life-saving health care market."

The proposed order limiting future transactions marks the FTC's return to the standard use of prior approval. It was accompanied by the announcement of the agency's new Prior Approval Policy Statement putting industry on notice that the FTC's orders will once again routinely require prior approval for future transactions affecting each relevant market for which a violation was alleged, for a minimum of ten years. These actions build upon the FTC's rescission of a decades-old policy that curtailed what used to be a long-established practice of requiring merging parties subject to a Commission order to obtain prior approval.

According to the FTC's complaint , there are only three providers of outpatient dialysis services patients in the greater Provo, Utah area, and the acquisition would eliminate actual, direct, and substantial competition between dialysis clinics owned by DaVita and dialysis clinics owned by the University of Utah Health, and would tend to create a monopoly. According to the complaint, entry of new competitors in the greater Provo area is not likely, timely, nor sufficient to remedy the effects of the proposed acquisition. This could have life-threatening impacts on patients receiving dialysis services, especially those with end-stage renal disease, which is characterized by a near total loss of kidney function. Many patients with this condition cannot receive home dialysis, and because these patients often have multiple health problems, they cannot or will not travel more than 30 minutes or 30 miles for in-clinic dialysis treatment.

Under the proposed order, in addition to divesting three Provo-area dialysis clinics and providing transition services for up to one year, DaVita is prohibited from: entering into or enforcing, directly or indirectly, any non-compete agreements with physicians employed by the University that would restrict their ability to work at a clinic operated by a competitor of DaVita (except to prevent a medical director under a contract with DaVita from simultaneously serving as a medical director at a clinic operated by a competitor); entering into any agreement that restricts Sanderling from soliciting DaVita's employees for hire; and directly soliciting patients who receive services from the divested clinics for two years.

Importantly, under the order, DaVita is also required to receive prior approval from the FTC before acquiring any new ownership interest in a dialysis clinic anywhere in Utah for a period of ten years. This critical tool will help the Commission quickly identify and ultimately prevent future facially anticompetitive deals by DaVita, a particularly acquisitive company. Notably, today's order extends

the coverage of the prior approval beyond the markets directly impacted by this merger. This order requires the use of a broad prior approval provision for a variety of reasons, including DaVita's history of fueling market consolidation for these life-saving services. The analysis to aid public comment provides additional details about the consent order.

The FTC appreciates the collaboration of the Utah Attorney General's Office in investigating this case.

The Commission vote to accept the proposed consent order for public comment was 5-0. Commissioner Christine S. Wilson issued a concurring statement. The FTC will publish the consent agreement package in the Federal Register shortly. Instructions for filing comments appear in the published notice. Comments must be received 30 days after publication in the Federal Register. Once processed, comments will be posted on Regulations.gov.

NOTE: When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of up to $43,792.

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Office of the Chair

Statement of Chair Lina M. Khan
Joined by Commissioner Rebecca Kelly Slaughter
Regarding the FY 2020 Hart-Scott-Rodino
Annual Report for Transmittal to Congress
Commission File No. P110014

November 8, 2021

The Federal Trade Commission recently submitted to Congress an annual report on our administration of the Hart-Scott-Rodino (HSR) Act. Despite the challenges of navigating a global pandemic, the agency in FY 2020 brought 28 merger enforcement challenges—the highest number of FTC merger enforcement actions in a single year since 2001. We are very grateful to the staff for their hard work and deep commitment to our agency's mission.

As we consider how to build on this success, we are faced with a continued explosion in deal volume coupled with serious resource constraints that are overburdening our ability to investigate carefully mergers that may prove unlawful. Grappling with this reality, the FTC has been reviewing its processes to consider how we can faithfully discharge our statutory obligation despite these serious challenges and constraints.

Over the past year, firms have been proposing transactions at a rapid pace.[1] By September 2021, the number of HSR filings received this year had already exceeded the *total* number of filings received in any of the last ten years—with about a third of the year still left to go.[2] Assuming deal-making for the rest of the year continues at this same rate, the FTC could receive over 3,500 merger filings in 2021, marking roughly a 70% increase over the average number of filings received in recent years. Examining transaction dollar volume reveals a similar pattern: on the current trajectory, announced transaction volume for U.S. firms is on track to be the highest in 20 years.[3]

Agency resources, however, have not kept up. Between 2010 and 2016, FTC and DOJ funding in nominal terms stagnated and, in real terms, effectively declined.[4] The FTC's full-time

[1] James Fontanella-Khan, *Global dealmaking set to break records after frenzied summer*, FIN. TIMES (Sept. 5, 2021), https://www.ft.com/content/4b955a75-55a4-4e13-b785-638b88bbfb0b.
[2] The Bureau of Competition publishes the number of HSR filings on a monthly basis. *FTC Premerger Notification Program*, FED. TRADE COMM'N, https://www.ftc.gov/enforcement/premerger-notification-program.
[3] *Id*. (adjusted for inflation).
[4] *See FTC Appropriation and Full-Time Equivalent (FTE) History*, FED. TRADE COMM'N, https://www.ftc.gov/about-ftc/bureaus-offices/office-executive-director/financial-management-office/ftc-appropriation; *Appropriation Figures for the Antitrust Division*, DEP'T OF JUST., https://www.justice.gov/atr/appropriation-figures-antitrust-division (last visited Oct. 18, 2021); Michael Kades, Director of Markets and Competition Policy, Washington Center for Equitable Growth, Presentation to

employee headcount fell in 2017 and 2018, and the total headcount today remains about two-thirds of what it was at the beginning of 1980.[5] Meanwhile, the scope of investigation and litigation discovery has expanded exponentially over recent decades, with voluminous electronic submissions demanding substantial staff resources.[6] Similarly, merger-filing fees have not kept pace with the exponential increases in dollar volume of each filing. Instead, per-transaction filing fees have stagnated for 20 years even as the economy and the size of the deals have ballooned.[7]

The statutory timelines laid out in the HSR Act add a further strain. The HSR Act—which was originally conceived to address a drastically different economy—gives the agency 30 days to determine whether a deal warrants close investigation, and then another 30 days after parties certify they have "substantially complied" with the inquiry.[8] Even in ordinary times, these timelines prove challenging given our tight resources; during a decades-high boom in merger filings, the 30-day window is crippling.

The combination of the merger boom, scant resources, and strict statutory deadlines has resulted in thinly stretched staff and concerning deals getting a more cursory review than they warrant. The agency is considering how it can discharge faithfully its statutory obligations in light of this challenge. While we endeavor to investigate fully deals that may be unlawful, current circumstances are forcing difficult choices about how to handle situations where a proposed merger appears to raise legal concerns but we lack the resources to fully investigate it within the statutory timeframe.

One practice we have implemented is the issuance of pre-consummation warning letters, which the FTC sends in instances where competitive concerns about a deal have not been resolved by the statutory deadline. These letters notify merging parties that the agency's investigation will remain open even though the waiting period will soon expire, and remind the parties that the agency retains the authority under the Clayton Act to challenge transactions even after their consummation.[9] The goal of these letters is to be transparent with market participants

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Congressional Antitrust Caucus on Merger Enforcement Statistics (Jan. 19, 2018), https://equitablegrowth.org/presentation-merger-enforcement-statistics/; *see also* Opening Statement of Acting Chairwoman Rebecca Kelly Slaughter Before the U.S. Senate Committee on Commerce, Sci., and Transp., Hearing on Strengthening the FTC's Authority to Protect Consumers, at 2-3 (Apr. 20, 2021), https://www.ftc.gov/public-statements/2021/04/prepared-statement-acting-chairwoman-rebecca-kelly-slaughter-strengthening.

[5] *Id.*

[6] Statement of Chair Lina M. Khan Joined by Commissioner Rebecca Kelly Slaughter on Actions to Expedite Staff Investigations, Matter No. P859900, at 2, n. 6 (Sept. 14, 2021), https://www.ftc.gov/public-statements/2021/09/statement-chair-lina-m-khan-joined-commissioner-rebecca-kelly-slaughter.

[7] Concurring Statement of Acting Chairwoman Rebecca Kelly Slaughter Joined by Commissioner Rohit Chopra regarding the Revised Clayton Act Thresholds, Comm'n File No. P859910, at 1 (Feb. 5, 2021), https://www.ftc.gov/public-statements/2021/02/concurring-statement-acting-chairwoman-rebecca-kelly-slaughter-joined.

[8] As part of negotiations, merging parties often enter a timing agreement that gives the agency more time after the parties have certified substantial compliance, but these agreements are not guaranteed—and sometimes even the additional period only gives the agency a total of a few months to fully review a deal, determine whether it is unlawful, and prepare a legal challenge.

[9] Holly Vedova, *Adjusting Merger Review to Deal With the Surge in Merger Filings*, FED. TRADE COMM'N (Aug. 3, 2021), https://www.ftc.gov/news-events/blogs/competition-matters/2021/08/adjusting-merger-review-deal-surge-merger-filings.

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about our capacity constraints and to ensure that a lack of action ahead of the statutory deadline is not construed as a determination that the deal is lawful.[10] The issuance of pre-consummation warning letters also reflects the fluidity of our resource allocation decisions, whereby we are able to reshuffle resources based on new filings that come in and need attention as well as any proposed deals that have been abandoned. Given that resources for completing our review of a deal may become available after the initial 30-day period, the letters notify merging parties of this possibility.

The issuance of these letters is consistent with the merger enforcement regime Congress created in passing the HSR Act. For example, the statute expressly states that any *lack* of agency action during HSR review does not preclude any subsequent proceeding, establishing the HSR process as an opportunity for *premerger* review rather than the basis for a final determination on the legality of a merger.[11] Legislative history also establishes that the primary goal of the HSR Act was to give the antitrust agencies advance notice of a transaction, given that it was easier to prevent harm by stopping the merger before it happened rather than through requiring divestitures after companies had already combined.[12]

Neither the text nor history of the statute suggests that the law was designed instead to give merging parties finality in exchange for providing advance notice. The text makes it clear that the failure of the FTC or DOJ to act at the end of any HSR deadline does not bar the agencies from taking enforcement action later.[13] Congress also made it clear that the HSR Act was a procedural statute that did not impact the substantive length and breadth of Section 7 of the Clayton Act.[14] Indeed, the bulk of the business opposition to the premerger notification program was directed at the Senate's initial version, which gave the antitrust agencies an automatic injunction should they file a challenge to the deal in federal court. Once that automatic injunction aspect of the program was removed by its sponsors, business opposition to the premerger notification program dissipated.[15]

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[10] Of course, the fact that a pre-consummation warning letter is not issued does not preclude the agencies from initiating an enforcement action after the expiration of any HSR deadline.

[11] 15 U.S.C. § 18(a)(i)(1) ("Any action taken by the Federal Trade Commission or the Assistant Attorney General or any failure of the Federal Trade Commission or the Assistant Attorney General to take any action under this section shall not bar any proceeding or any action with respect to such acquisition at any time under any other section of this Act or any other provision of law.").

[12] Lawmakers noted that the average post-acquisition merger case took five to six years to resolve during which time "the acquiring firm retain[ed] the illegal profits and other fruits of the acquisition, and its anticompetitive effects pervade[d] the marketplace, injuring competitors and consumers alike." H.R. Rep. No. 1373, 94th Cong., 2d Sess., at 9 (1976) ("House Report"); S. Rep. No. 803, 94th Cong. 2d Sess., at 61 (1976) ("Senate Report"). One major problem was the "midnight merger" that took place before the agencies found out about it. House Report at 10; Senate Report at 64-65.

[13] 15 U.S.C. § 18(a)(i)(1).

[14] House Report at 5 ("The bill in no way alters the substantive legal standard of Section 7").

[15] Irving Scher, *Emerging Issues under the Antitrust Improvements Act of 1976*, 77 COL. L. REV. 679, 694. Additionally, most of the ongoing opposition to the entire HSR Act was not with the premerger notification program itself, but rather the wholly unrelated *parens patrie* provisions in another title of the Act, which gave States the ability to file suit in federal court to challenge violations of the Sherman and Clayton Acts that harmed their citizenry. The papers of President Gerald R. Ford, who signed the HSR Act into law, confirm that Title III of the HSR Act, which authorized State attorneys general to file "parens patrie" suits in Federal courts to recover damages

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When crafting the HSR Act, Congress could not have foreseen the exponential increase in the number of deals the agencies would be reviewing. The House Report for the HSR Act estimated that the statute would "require[e] advance notice" for approximately "the largest 150 mergers annually."[16] Today, the agencies routinely receive 150 filings every two weeks. While the FTC is seeking to adjust its procedures accordingly, legislative updates that reflect these new market realities would also help ensure that the core purpose of premerger review—to equip antitrust enforcers to identify and challenge unlawful mergers prior to consummation—is still being realized. Congressional action to increase merger-filing fees for larger transactions and annually adjust them, as the law requires for filing thresholds, would also help ensure that our merger processes are keeping pace with the growth of the U.S. economy and that our resources increase alongside booms in large deal-making.

The Commission continues to review its merger processes to ensure we are making efficient use of scarce resources and minimizing the risk of overlooking unlawful deals. Additional reforms the FTC has recently instituted include returning the agency to its practice of including prior approval provisions in merger settlements, which may help deter unlawful transactions while also conserving agency resources.[17] Lastly, we are assessing whether procedures previously adopted may unduly constrain staff's ability to obtain information during merger inquiries and how we can best empower staff to pursue comprehensive investigations.[18]

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incurred by the State's residents as a result of federal antitrust provisions of the Sherman Act, was the source of most of the controversy. *See* Memorandum from Jim Cannon to President Gerald R. Ford Regarding the Enrolled Bill H.R. 8532 – Hart-Scott-Rodino Antitrust Improvements Act of 1976, at 1 (Sept. 29, 1976) (on file with the Gerald R. Ford Presidential Library). President Ford did "not object[]" to the premerger notification title "since Congress dropped a provision for an automatic injunction against the consummation of mergers and acquisitions." *Id* at 2. *See also* Memorandum from Paul H. O'Neill, Acting Dir. Off. Budget Mgmt. to President Gerald R. Ford Regarding Enrolled Bill H.R. 8532 – Hart-Scott-Rodino Antitrust Improvements Act of 1976, at 4 (Sept. 23, 1976) (on file with the Gerald R. Ford Presidential Library) ("Due to strong opposition by the Administration and others, a provision in earlier versions of the legislation that would have provided for an automatic injunction against the consummation of mergers and acquisitions by Federal enforcement authorities was deleted. The Administration has not objected to this title of the bill since that provision was dropped."). *See also* Letter from John J. Rhodes, Senator, Minority Leader to President Gerald R. Ford, at 1 (Sept. 27, 1976) (on file with the Gerald R. Ford Presidential Library) ("The premerger notification and civil investigative demand titles are not in controversy").

[16] House Report at 11.

[17] Remarks of Chair Lina M. Khan Regarding the Proposed Rescission of the 1995 Policy Statement Concerning Prior Approval and Prior Notice Provisions, FTC File No. P859910 (July 21, 2021), https://www.ftc.gov/public-statements/2021/07/remarks-chair-lina-m-khan-regarding-proposed-rescission-1995-policy; *see also* Dissenting Statement of Commissioner Mary L. Azcuenaga on Decision to Abandon Prior Approval Requirements in Merger Orders, 60 Fed. Reg. 39746-47 (Aug. 3, 1995) (noting that the prior approval requirement is a "simple, direct and limited remedy to prevent recurrence of unlawful acquisitions" and that it "benefits the Commission by conserving public law enforcement dollars" and "may deter unlawful acquisitions.").

[18] *See, e.g.*, Holly Vedova, *Making the Second Request Process Both More Streamlined and More Rigorous During this Unprecedented Merger Wave*, FED. TRADE COMM'N (Sept. 28, 2021), https://www.ftc.gov/news-events/blogs/competition-matters/2021/09/making-second-request-process-both-more-streamlined (noting the FTC will as a general matter no longer permit partial privilege logs); Reforms to the Merger Review Process, Announcement by Deborah Platt Majoras, FTC Chairman (Feb. 16, 2006), https://www.ftc.gov/sites/default/files/attachments/merger-review/mergerreviewprocess.pdf (instituting cap of no more than 35 top management officials whose documents could be obtained by staff).

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Our dissenting colleagues' suggestion that these changes place the FTC wildly out of sync with the Justice Department's practices is belied by the facts.[19] Indeed, several of our recent changes have brought the FTC in *closer* alignment with DOJ's existing practices. For example, the Department of Justice routinely has barred merging parties from reacquiring assets ordered to be divested.[20] The FTC, by contrast, used no such bar as a general matter; our recent action to return the FTC to its practice of requiring prior approval provisions for these assets now brings the FTC and DOJ in closer alignment. Other changes to our investigative process—including requirements that companies under investigation provide information on their use of e-discovery tools and submit full privilege logs—similarly track practices DOJ has already had in place.[21] Moreover, construing any recent inaction or lack of policy change at the Antitrust Division as evidence of disagreement with reforms we have instituted at the FTC seems shortsighted, given that the Division is still awaiting the appointment of its new leadership.

Amid growing public recognition[22] that significant consolidation has undermined open and competitive markets, significantly harming Americans, including through raising prices, lowering wages, exacerbating racial disparities, and sapping investment, [23] it is incumbent on antitrust enforcers to redouble our commitment to policing mergers and fulfilling our statutory mandate to halt unlawful deals—whether prior to consummation or after the fact as resources allow. Despite significant constraints and challenges, the FTC will continue to review and reform its processes to ensure we are best positioned to meet these goals.

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[19] It's also worth recalling that the FTC and DOJ have overlapping but not identical legal authorities and areas of institutional expertise.

[20] *See, e.g.*, Proposed Final Judgment, *United States v. Zen-Noh Grain Corp. et al.*, No. 1:21-cv-01482 § XII (Limitations on Reacquisitions) (D.D.C. filed June 1, 2021).

[21] Vedova, *supra* note 18.

[22] *See, e.g.*, Exec. Order No. 14,036, Promoting Competition in the American Economy § 1 (July 9, 2021) ("Yet over the last several decades, as industries have consolidated, competition has weakened in too many markets, denying Americans the benefits of an open economy and widening racial, income, and wealth inequality. Federal Government inaction has contributed to these problems, with workers, farmers, small businesses, and consumers paying the price.").

[23] *See, e.g.*, José A. Azar et al., *Concentration in US Labor Markets* 13 (Nat'l Bureau of Econ. Res., Working Paper No. 24395, 2018); Simcha Barkai, *Declining Labor and Capital Shares*, 75 J. Fin. 2421, 2422 - 45, 48 (2020); Jan De Loecker et al., *The Rise of Market Power and the Macroeconomic Implications*, 135 Q.J. ECON. 561, 644 (2020); Germán Gutiérrez & Thomas Philippon, *Investmentless Growth: An Empirical Investigation*, BROOKINGS PAPER ON ECON. ACTIVITY 89, 95–97 (2017); Darrick Hamilton & Madeline Neighly, *The Racial Rules of Corporate Power: How Extractive Corporate Power Harms Black and Brown Communities and How Race-Conscious Solutions Can Create an Inclusive Economy*, ROOSEVELT INST. (Nov. 2019); Ted Tatos & Hal Singer, *Antitrust Anachronism: The Interracial Wealth Transfer in Collegiate Athletics Under the Consumer Welfare Standard*, ANTITRUST BULL. (Oct. 2021).

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Non-HSR Reported Acquisitions by Select Technology Platforms, 2010–2019: An FTC Study

FEDERAL TRADE COMMISSION

September 2021

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NON-HSR REPORTED ACQUISITIONS BY SELECT TECHNOLOGY PLATFORMS, 2010-2019

A REPORT OF THE
FEDERAL TRADE COMMISSION
SEPTEMBER 15, 2021

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Non-HSR Reported Acquisitions by Select Technology Platforms, 2010-2019: An FTC Study

1. Introduction

In February 2020, the Federal Trade Commission ("FTC" or "Commission") issued Special Orders to five large technology firms that have made numerous acquisitions in recent years, requiring them to provide information about prior acquisitions not reported to the federal U.S. antitrust agencies under the Hart-Scott-Rodino ("HSR") Act.[1] The orders required Alphabet Inc. ("Alphabet," including Google), Amazon.com, Inc. ("Amazon"), Apple Inc. ("Apple"), Facebook, Inc. ("Facebook"), and Microsoft Corp. ("Microsoft") to provide information and documents on the terms, scope, structure, and purpose of transactions that each company consummated between January 1, 2010 and December 31, 2019 for which the company did not file an HSR notification form. The Commission issued these orders under Section 6(b) of the FTC Act, which authorizes the Commission to conduct wide-ranging studies that do not have a specific law enforcement purpose.

The orders were designed to help the FTC deepen its understanding of large technology firms' acquisition activity including examining the trends in acquisitions and the structure of deals. Various Commissioners have stated that mergers and acquisitions in the technology industry are an area of significant importance to the agency.[2] At the FTC's 2018-2019 Hearings on Competition and Consumer Protection in the 21st Century, participants also noted that major technology firms made hundreds of acquisitions, with many occurring in the past five to ten years.[3] In addition to the Commission, the Antitrust Division of the U.S. Department of Justice[4]

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[1] Press Release, FTC, FTC to Examine Past Acquisitions by Large Technology Companies (Feb. 11, 2020), https://www.ftc.gov/news-events/press-releases/2020/02/ftc-examine-past-acquisitions-large-technology-companies.

[2] *See, e.g.*, Rebecca Kelly Slaughter, Comm'r, Fed. Trade Comm'n, Keynote at 6th Bill Kovacic Antitrust Salon: Where is Antitrust Policy Going? 2 (Sept. 24, 2018), https://www.ftc.gov/system/files/documents/public_statements/1412806/slaughter_-_closing_remarks_for_6th_annual_bill_kovacic_antitrust_salon_9-24-18.pdf ("We are seeing more and more mergers and conduct matters with technology-related issues such as data collection, intellectual property, and network effects."); Rohit Chopra, Comm'r, Fed. Trade Comm'n, Remarks at Silicon Flatirons Conference 2 (Feb. 10, 2019), https://www.ftc.gov/system/files/documents/public_statements/1453633/remarks_of_commissioner_chopra_at_silicon_flatirons.pdf ("[W]e need to ask ourselves whether certain business practices and merger activity are really promoting innovation or simply allowing corporate royalty to hold on to their reign."); Noah Joshua Phillips, Comm'r, Opening Address at Chatham House Competition Policy 2020 Conference 2 (Nov. 10, 2020), https://www.ftc.gov/system/files/documents/public_statements/1582986/phillips_remarks_chatham_house_11-10-20.pdf ("Enforcers and policymakers should focus more on issues characteristic of technology markets: acquisitions of nascent competitors, two-sided markets, zero price markets, and so forth.").

[3] *See, e.g.*, Sally Hubbard, Remarks at FTC Hearings of Competition & Consumer Protection in the 21st Century, Session #3, Tr. at 265 (Oct. 17, 2018), https://www.ftc.gov/system/files/documents/public_events/1413712/ftc_hearings_session_3_transcript_day_3_10-17-18fullupdated.pdf.

[4] *See e.g.*, Press Release, Dep't of Justice, Justice Department Reviewing the Practices of Market-Leading Online Platforms (July 23, 2019), https://www.justice.gov/opa/pr/justice-department-reviewing-practices-market-leading-online-platforms.

and key Congressional leadership[5] have all expressed concerns regarding the number of acquisitions by major technology companies, as have other competition agencies around the world.[6]

Following the issuance of the Special Orders, FTC staff collected and analyzed data and documents from the respondents to learn more about the relevant transactions. Staff also cross-referenced the material obtained through the Special Orders with publicly available data sources to analyze recipients' transactions. This report publishes the results of that analysis on an aggregated, and therefore anonymized, basis. To protect the confidentiality of the information submitted to the Commission, this report does not publish any confidential information from the recipients of the Special Orders.[7]

This report adds to existing empirical research on transactions by technology companies by analyzing a number of trends and patterns identified in the data. In particular, the report quantifies and categorizes the pace, the size distribution of transactions in dollar terms, the types

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[5] *See, e.g.*, STAFF OF H. COMM. ON THE JUDICIARY, 116TH CONG., INVESTIGATION OF COMPETITION OF DIGITAL MARKETS: MAJORITY STAFF REPORT AND RECOMMENDATIONS 44 (2020), https://judiciary.house.gov/uploadedfiles/competition_in_digital_markets.pdf?utm_campaign=4493-519 ("Leading economists and antitrust experts have expressed concern that serial acquisitions of nascent competitors by large technology firms have stifled competition and innovation."); KEN BUCK, ET AL., H. COMM. ON THE JUDICIARY, 116TH CONG., THE THIRD WAY: ANTITRUST ENFORCEMENT IN BIG TECH 9 (2020), https://buck.house.gov/sites/buck.house.gov/files/wysiwyg_uploaded/Buck%20Report.pdf.

[6] Other competition agencies around the world have also expressed concerns. For example, the European Commission has proposed the Digital Markets Act, containing a set of rules for "gatekeepers" and consequences for non-compliance. Eur. Comm'n, The Digital Markets Act: ensuring fair and open digital markets, https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/digital-markets-act-ensuring-fair-and-open-digital-markets_en#new-rules-in-a-nutshell (last visited Sept. 2, 2021). Germany's Commission on Competition Law 4.0 proposed "monitoring and assessment of cases involving the early acquisition of innovative start-ups" and evaluation of the current system of ex-ante merger control. FED. MINISTRY FOR ECON. AFFAIRS & ENERGY, A NEW COMPETITION FRAMEWORK FOR THE DIGITAL ECONOMY: REPORT BY THE COMMISSION 'COMPETITION LAW 4.0' 7 (2019), https://www.bmwi.de/Redaktion/EN/Publikationen/Wirtschaft/a-new-competition-framework-for-the-digital-economy.pdf?__blob=publicationFile&v=3. *See also* UNLOCKING DIGITAL COMPETITION: REPORT OF THE DIGITAL COMPETITION EXPERT PANEL 12, 95 (2019), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/785547/unlocking_digital_competition_furman_review_web.pdf (last visited Sept. 2, 2021) (UK's Digital Expert Panel recommending that identified digital companies ought to make the U.K. Competition and Markets Authority aware of every intended acquisition to assist it with monitoring and selecting digital cases for investigation.); KOREAN FAIR TRADE COMMISSION (KFTC), CHAIRPERSON'S MESSAGE TO EXPLAIN THE PURPOSE AND DIRECTION OF THE "ACT ON FAIR INTERMEDIATE TRANSACTIONS ON ONLINE PLATFORMS," PROPOSED BY THE KFTC 1, (Sept. 28, 2020), https://ftc.go.kr/solution/skin/doc.html?fn=a96717a996e790c90b01a7bc4c1f77d946be46d29989d2d5c23b7f464793dfba&rs=/fileupload/data/result/BBSMSTR_000000002401/, (last visited Sept. 8, 2021) (stating that "there are anti-competitive concerns that monopolistic platforms are preventing new entrants from entering the market while removing potential competitors by acquiring them."); AUSTRALIAN COMPETITION & CONSUMER COMMISSION, DIGITAL ADVERTISING SERVICES INQUIRY: INTERIM REPORT 88, Dec. 2020, https://files.lbr.cloud/public/2021-01/Digital%20Advertising%20Services%20Inquiry%20-%20Interim%20report.pdf?qSKQBUcxWvgg8v7Xr8McY0FwxpXL1Pgw=, (last visited Sept. 8, 2021) (identifying a "pattern of consolidation" in advertising technology services); COMPETITION COMMISSION SOUTH AFRICA, ONLINE INTERMEDIATION PLATFORMS MARKET INQUIRY, TERMS OF REFERENCE, DRAFT FOR PUBLIC COMMENT 1, (Feb. 19, 2021), http://www.compcom.co.za/wp-content/uploads/2021/02/OIPMI-Draft-ToR-19-02-2021.pdf (last visited Sept. 8, 2021) (identifying a possible "deliberate strategy to… acquire competitive threats").

[7] 15 U.S.C. § 46(f).

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of transactions, and the number of non-HSR reportable transactions collectively by the five respondents. As far as the acquired companies, the report further examines the acquisition terms regarding their debts or liabilities as of the time of their acquisition, any deferred or contingent compensation offered to key employees and founders as part of the acquisition, the age of the acquired companies as of the time of the consummation of their acquisition, and the number of their full-time non-sales employees that went on to work for the acquiring respondent after the acquisition. This study intends to provide background and findings from this data set, not to provide a basis for evidence in an adjudicatory proceeding.

The report provides certain data on transactions that exceed the HSR Size of Transaction (SOT) threshold. To be clear, however, transactions exceeding the SOT threshold may not have been notified because the Size of Person (SOP) test was not met or one of the statutory or regulatory exemptions applied. In general, unless an exemption applies, premerger notification is required if the transaction meets three tests: (1) the Commerce Test (which is routinely met), (2) the Size of Transaction Test, and (3) the Size of Person Test. To meet SOT, the transaction value, as calculated in accordance with the HSR rules, must be over $50 million (as adjusted, currently $92 million). There is no filing obligation for transactions with a value below SOT. If the value of the transaction is more than $50 million (as adjusted) but $200 million (as adjusted, currently $368 million) or less, SOP, which is a set of requirements about the value of the parties' revenues and/or assets, must also be met to make the transaction reportable.

Even if a transaction meets SOT and SOP (if necessary), it need not be reported if it is exempt under one of the statutory or regulatory exemptions. For example, an acquisition of a foreign issuer or foreign assets may not need to be reported if the buyer is not acquiring control or if the issuer or assets have "insufficient nexus" to the United States, as determined on the basis of the revenues generated by the issuer or by the assets from sales in or into the United States.

While this report does not make recommendations or conclusions regarding the HSR thresholds, it does analyze the nonreportable transaction data of respondents and releases trends and patterns relating to these transactions. The study intends to inform ongoing discussions among policymakers, academics, and other stakeholders.

2. Overview

a. Respondents

The Special Order respondents—Alphabet/Google, Amazon, Apple, Facebook, and Microsoft—are five of the largest public U.S. companies by market capitalization.[8] These firms are among the most significant technology companies operating in the world and publicly available information indicates each firm has engaged in a high volume of acquisitions.

[8] U.S. Companies by Market Capitalization, https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/ (last visited Sept. 2, 2021).

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i. Alphabet/Google

Alphabet is a multinational internet technology company headquartered in Mountain View, California and founded in 1998.[9] At publication of this report, Alphabet was the third-largest U.S. company by market capitalization.[10] Alphabet's core business lines are organized under its Google subsidiary, which offers a variety of services and products that enable users to obtain access to websites, photos, videos, and other sources of information across the internet. It primarily generates revenues from these businesses through the sale of online advertising.[11] Some of these services and products include:

- Search, an internet search engine;
- YouTube, a video sharing service;
- Google Drive, a cloud storage service;
- Google Maps, a location information application;
- Gmail, an email service;
- Android, a mobile operating system; and
- Chrome, an internet browser.

Google also operates enterprise-ready cloud services, which includes Google Cloud Platform and Google Workspace. It generates revenues from these services primarily through fees received from customers.[12]

Alphabet reported revenues of $182.5 billion in 2020, over $181 billion of which came from its Google segments. Google sales of advertising accounted for approximately 80% of Alphabet's total revenues.[13] It reported revenues of about $29.3 billion in 2010, with approximately two-thirds coming from Google website advertising revenue and 30% coming from Google Network members' website advertising revenue.[14] At the end of 2020, Alphabet employed over 135,000 individuals, up from nearly 24,400 in 2010.[15]

ii. Amazon

Amazon is a multinational e-commerce company headquartered in Seattle, Washington and was founded in 1994. At publication of this report, Amazon was the fourth-largest U.S. company by market capitalization.[16] A key component of Amazon's business is its online retail platform for goods and services, selling private-label products and products Amazon has

[9] In 2015, Google restructured itself and Alphabet became the successor parent organization. Before then, Google was the parent organization. Alphabet, Annual Report (Form 10-K) 25-26 (Feb. 2, 2021).
[10] U.S. Companies by Market Capitalization, https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/ (last visited Sept. 2, 2021).
[11] Alphabet, Annual Report (Form 10-K) 6, 33 (Feb. 2, 2021).
[12] *Id*. at 6-7.
[13] *Id*. at 32-33.
[14] Alphabet, Annual Report (Form 10-K) 53 (Feb. 11, 2011).
[15] Alphabet, Annual Report (Form 10-K) 9 (Feb. 2, 2021); Alphabet, Annual Report (Form 10-K) 8 (Feb. 11, 2011).
[16] U.S. Companies by Market Capitalization, https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/ (last visited Sept. 2, 2021).

purchased for retail sale, as well as third-party products for which Amazon offers an e-commerce platform. As part of its online platform business, it offers Amazon Prime, a fee-based membership program that provides users with services such as shipping, streaming movies and TV shows, music, and books. Amazon's primary source of revenue is the sale of a wide range of products and services to customers.[17] In 2017, Amazon bought Whole Foods, a specialty grocery with locations throughout the country. The company also sells its own electronic devices and produces media content.[18] Amazon has also opened physical retail stores, including grocery stores under the banner Amazon Fresh.

Amazon also operates Amazon Web Services (AWS), which offers a suite of enterprise cloud computing services, "including comput[ing], storage, database, analytics, and machine learning, and other services."[19] In 2020, Amazon reported net sales of $386 billion. Net sales from its AWS business accounted for $45.4 billion, while all other segments accounted for $340.7 billion.[20] In 2010, Amazon's net sales were $34.2 billion; it did not report net sales figures for AWS separately in 2010.[21] At the end of 2020, Amazon had approximately 1,298,000 full-time and part-time employees, not including independent contractors or temporary personnel.[22] At the end of 2010, Amazon had approximately 33,700 full-time and part-time employees.[23]

iii. Apple

Apple is a multinational consumer electronics company headquartered in Cupertino, California and founded in 1977. At publication of this report, Apple was the largest U.S. company by market capitalization.[24] The company "designs, manufactures and markets smartphones, personal computers, tablets, wearables and accessories, and sells a variety of related services."[25] Apple sells its products through its retail and online stores, direct sales force, and indirect distribution channels. These products include:

- The iPhone line of smartphones;
- The Mac line of personal computers;
- The iPad line of multi-purpose tablets; and
- A Wearables, Home, and Accessories group of products, which includes AirPods wireless headphones and Apple Watch.

Apple also offers a variety of consumer-facing services, including:

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[17] Amazon, Annual Report (Form 10-K) 19, 25 (Feb. 2, 2021).
[18] *Id*. at 3.
[19] *Id*.
[20] *Id*. at 25.
[21] Amazon, Annual Report (Form 10-K) 18 (Jan. 27, 2011).
[22] Amazon, Annual Report (Form 10-K) 4 (Feb. 2, 2021).
[23] Amazon, Annual Report (Form 10-K) 4 (Jan. 27, 2011).
[24] U.S. Companies by Market Capitalization, https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/ (last visited Sept. 2, 2021).
[25] Apple, Annual Report (Form 10-K) 1 (Oct. 29, 2020).

- Various platforms that allow customers to discover and download applications and digital content, such as the App Store;
- Digital content streaming services, such as Apple Music and Apple TV+;
- Cloud computing services; and
- Payment services.

The company reported total net sales of $274.5 billion in 2020, about half of which is attributable to iPhone net sales.[26] In 2010, Apple had $65.2 billion in total net sales, of which $25.2 billion is attributable to the iPhone.[27] In 2020, Apple generated $53.8 billion in net sales from its services category, a 16% increase over 2019 net sales ($46.3 billion), which also represented a 16% increase over 2018 net sales ($39.8 billion).[28] The company had approximately 147,000 full-time equivalent employees, up from the 46,600 full-time equivalent employees and 2,800 full-time equivalent temporary employees and contractors it had in 2010.[29]

iv. Facebook

Facebook is a multinational social media company headquartered in Menlo Park, California and founded in 2004. At publication of this report, Facebook was the fifth-largest U.S. company by market capitalization.[30] According to Facebook, the company builds social media products that operate on mobile devices, personal computers, virtual reality headsets, and in-home devices.[31] These social media products enable individuals to share information about themselves and their activities (including pictures and videos), connect with other individuals, and communicate news and other information. Substantially all of the company's revenues derive from advertising placement sales.[32] Facebook's products and services include:

- Facebook, a personal social networking service;
- Instagram, a photo-based personal social networking service;
- Messenger, a mobile messaging service;
- WhatsApp, a mobile messaging service; and
- Facebook Reality Labs, offering augmented and virtual reality products.[33]

As of December 31, 2020, Facebook had 2.8 billion monthly active users ("MAUs"), compared to 845 million MAUs on December 31, 2011.[34]

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[26] *Id*. at 21.
[27] Apple, Annual Report (Form 10-K) 33 (Oct. 27, 2010).
[28] Apple, Annual Report (Form 10-K) 21 (Oct. 29, 2020).
[29] Apple, Annual Report (Form 10-K) 4 (Oct. 29, 2020); Apple, Annual Report (Form 10-K) 10 (Oct. 27, 2010).
[30] U.S. Companies by Market Capitalization, https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/ (last visited Sept. 2, 2021).
[31] Facebook, Annual Report (Form 10-K) 7 (Jan. 27, 2021).
[32] *Id*.
[33] *Id*.
[34] Facebook, Annual Report (Form 10-K) 52 (Jan. 27, 2021); Facebook, Annual Report (Form 10-K) 5 (Feb. 1, 2013).

Facebook had about $86 billion in revenue in 2020, up from about $2 billion in 2010.[35] It employed 58,604 people globally as of December 31, 2020, compared to the 2,661 people it employed full-time as of June 30, 2011.[36]

v. Microsoft

Microsoft is a multinational software company headquartered in Redmond, Washington and founded in 1975. At publication of this report, Microsoft was the second-largest U.S. company by market capitalization.[37] The company develops and supports "software, services, devices, and solutions," and offers "an array of services, including cloud-based solutions that provide customers with software, services, platforms, and content."[38] Microsoft generates "revenue by offering a wide range of cloud-based and other services to people and businesses; licensing and supporting an array of software products; designing, manufacturing, and selling devices; and delivering relevant online advertising to a global audience."[39] Some of the key products and services it offers include:

- Office, a suite of productivity applications;
- LinkedIn, a social networking service for professionals;
- Dynamics, a line of business applications;
- Cloud computing services, including Azure;
- Windows, a personal computing operating system;
- Personal computing devices, including Surface;
- Xbox, a video game platform; and
- Bing, a search engine.[40]

Microsoft reported $168 billion in revenue in 2021, compared to $62.5 billion in revenue in 2010.[41] As of June 30, 2021, it had approximately 181,000 full-time employees, including 103,000 in the United States.[42] As of June 30, 2010, it had approximately 89,000 full-time employees, including 54,000 in the United States.[43]

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[35] Facebook, Annual Report (Form 10-K) 50 (Jan. 27, 2021); Facebook, Annual Report (Form 10-K) 34 (Feb. 1, 2013).
[36] Facebook, Annual Report (Form 10-K) 10 (Jan. 27, 2021); Facebook, Quarterly Report (Form 10-Q) 48 (July 31, 2012). Facebook completed its initial public offering in May 2012, so earlier headcount reports are not publicly available. Facebook, Quarterly Report (Form 10-Q) 8 (July 31, 2012).
[37] U.S. Companies by Market Capitalization, https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/ (last visited Sept. 2, 2021).
[38] Microsoft, Annual Report (Form 10-K) 3 (July 29, 2021).
[39] *Id*. at 39.
[40] *Id*. at 10-15.
[41] Microsoft, Annual Report (Form 10-K) 34 (July 29, 2021); Microsoft, Annual Report (Form 10-K) 21 (July 30, 2010).
[42] Microsoft, Annual Report (Form 10-K) 8 (July 29, 2021).
[43] Microsoft, Annual Report (Form 10-K) 14 (July 30, 2010).

b. Special Orders

The Special Orders required each respondent to identify transactions not reported to the FTC and the U.S. Department of Justice under the HSR Act, and to provide information similar to that requested on the HSR notification and report form.[44] The Orders also required companies to provide other data and documents on their corporate acquisitions, including information on non-compete provisions and deferred or contingent compensation. FTC staff met with the respondents regularly throughout the data collection and provision period and reviewed responses as they arrived on a rolling basis. Staff then processed and analyzed the material from those responses. This report reflects components of that analysis and identifies several patterns, on an aggregated basis, in the parties' combined transaction history.

3. Analysis

The below section describes the aggregate analysis of data produced, revealing a number of patterns regarding the total number of transactions, transaction types, and sizes. It also quantifies the prevalence of a number of common practices found in the merger agreements, including the use of non-compete provisions and deferred or contingent compensation for the acquired firms' founders and key employees. The analysis also revealed a significant amount of information about each acquired firm, including its country of origin, debts and liabilities, the number of employees joining the acquirer after the transaction, and its age. Finally, staff categorized the transactions by sector to show the relationship between the number of transactions made and industry developments.

Sections 6(f) and 21(d)(1)(B) of the FTC Act prohibit the Commission from disclosing trade secrets or commercial or financial information that is privileged or confidential. Because of this statutory prohibition, the Commission does not have discretion to disclose this type of information.[45] As a result, this report publishes data from all five respondents on an aggregated basis. We share below the information that we can report publicly within these confidentiality limitations.

a. Methodology

As part of its review, staff collected information from the respondents on several key data points requested in the Special Order. This included, but was not limited to, information on:

- The acquired entities (e.g., whether a target entity had any debts or liabilities at the time of its acquisition);
- The acquirers;
- Parameters specific to each acquisition, such as the consummation date of the acquisition, whether the merger agreements included non-compete clauses, whether the merger

[44] Order to File a Special Report, FTC Matter No. P201201 (Feb. 10, 2020) [hereinafter Special Order], https://www.ftc.gov/system/files/documents/reports/6b-orders-file-special-reports-technology-platform-companies/6b_platform_study_sample_order.pdf.
[45] 15 U.S.C. § 46(f), 15 U.S.C. § 57b-2(d)(1)(B).

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agreement stipulated deferred or contingent compensation for the target entity's employees and/or shareholders, as well as the type of the acquisition:
    - Voting Security (Control)
    - Voting Security (Minority)
    - Asset
    - Patent Acquisition
    - Hiring Event
    - Non-Corporate Interest (Control)
    - Non-Corporate Interest (Minority)
    - License
    - Economic Interest; and
- Post-acquisition outcomes (e.g., the number of employees from the target entity who joined the acquirer after the acquisition).

After collecting the responsive material, staff processed and analyzed the data at both the individual respondent level and collectively for the five respondents.[46] As part of this analysis, staff grouped acquisitions along various aspects of the transactions, including by:

- respondent;
- acquisition type;
- transaction size;
- calendar year;
- whether the acquired firm was a domestic or foreign entity; and
- nesting these various aspects (e.g., all Voting Security (Control) acquisitions within a certain transaction size range, the number of employees who joined the acquiring firm after an acquisition within a certain transaction size range) and determining the correlation between certain aspects (e.g., were larger transactions more likely to include non-compete clauses in their merger agreements and/or stipulate deferred or contingent compensation for the founders and key employees of the acquired entities).

As part of the analysis, staff also collected additional data on the acquisitions from four proprietary databases (PitchBook, S&P Global Market Intelligence 451 Research, Crunchbase, and Refinitiv). Staff used the information collected to identify and advise respondents of any potentially missing transactions to ensure the completeness of the information received. Staff also used the information to determine the age of each acquired entity as of the time of its acquisition, and to approximate an industry categorization of the target entities.[47] Combined, this additional information verified the universe of transactions reported as well as provided a basis for additional groupings of transactions (e.g., by acquired entity age, by approximate industry category) for analysis.

[46] The percentages in this report's figures may not necessarily add up to 100% due to decimal point rounding.
[47] While some of this information would typically be available using HSR filings, none of the responsive transactions were filed under HSR.

b. Transaction Types

The five respondents reported 819 total non-HSR reportable transactions over the 10-year period for an average of approximately 164 transactions per respondent.[48] Each transaction was categorized according to a primary type: Voting Security (Control), Voting Security (Minority), Asset, Patent Acquisition, Hiring Event, Non-Corporate Interest (Control), Non-Corporate Interest (Minority), License, and Economic Interest.[49] Of the 819 transactions, the largest category was Voting Security (Control) at 382 acquisitions, followed by 150 Asset acquisitions, 101 Hiring Events, and 91 Patent Acquisitions. In the charts that follow, the standard deviations provide a measure of the amount of variation or dispersion across respondents. A lower standard deviation indicates that the values from the five respondents tend to be close to the respective average, while a higher standard deviation indicates that the individual values are spread out over a wider range.

Figure 1: Transaction Types

Type of Transaction	Total	Average Per Respondent	Standard Deviation
Voting Security (Control)	382	76.4	32.7
Asset	150	30	9.5
Hiring Events	101	20.2	16.9
Patent Acquisitions	91	18.2	16.2
Voting Security (Minority)	45	9	9.7

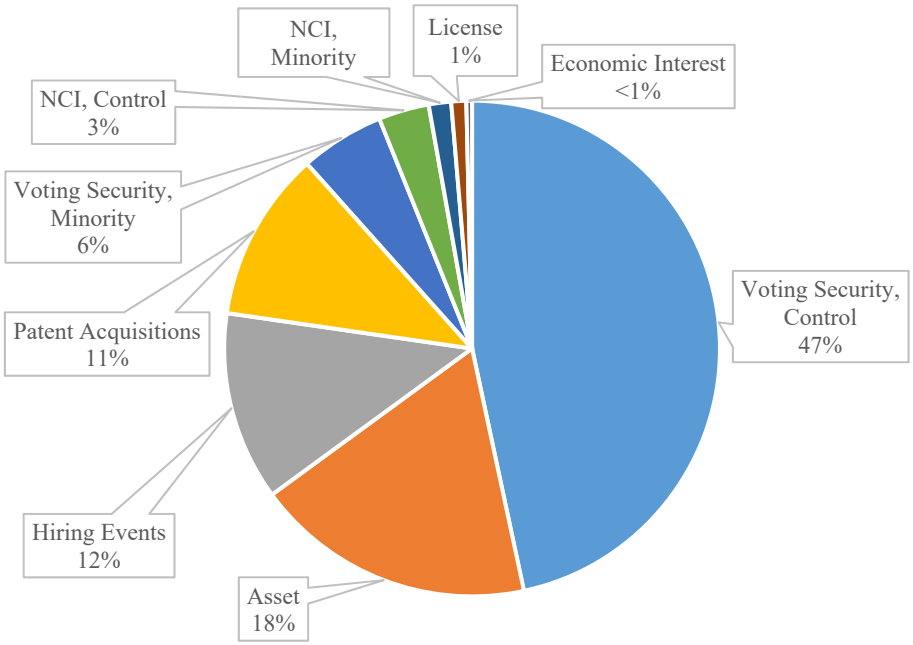
[48] The 819 transactions omit approximately 50 additional smaller transactions below $1 million, 160 financial investments, and Patent Acquisitions below $2.5 million.

[49] As defined within the Special Order, s*ee supra* note 44. Voting securities (control) is defined under the meaning of 16 C.F.R. § 801.1 et seq., which described that voting securities means any securities which at present or upon conversion entitle the owner or holder thereof to vote for the election of directors of the issuer, or of an entity included within the same person as the issuer. Control is described as either holding 50 percent or more of the outstanding voting securities of the issuer or, in the case of an unincorporated entity, having the right to 50 percent or more of the profits of the entity, or having the right in the event of a dissolution to 50 percent or more of the assets of the entity. An alternative definition of control involves having the contractual power to designate 50 percent or more of the directors of a for-profit or not-for-profit corporation, or 50 percent or more of the trustees in the case of trusts that are irrevocable and/or in which the settlor does not retain a reversionary interest. Voting Securities (Minority) are Voting Securities that are not control Voting Securities. Asset acquisition is holding, in the aggregate, any of the assets of another Entity that, at the time of acquisition, represented any of: (1) 10% or more of the assets of the acquired Entity, or of a division, subsidiary, office or product, research or development group; or (2) assets sufficient to constitute a business or operating unit. Patent acquisition is the purchase of one or more patents that is not otherwise defined as another category of acquisition. Hiring Event means any instances where, within a one-year period, the company hired 25 percent or more non-sales employees of an Entity, division, office, or subsidiary of an Entity, or product, research or development group of an Entity. Non-Corporate Interest means an interest in a Non-Corporate Entity, with control and minority having the same meaning as under Voting Securities. License is obtaining exclusive agreements to intangible property that is not an acquisition. Economic Interest means the right to receive profits or assets upon their distribution, either directly or indirectly, or upon dissolution of the Issuer or Entity; or the right to receive the gains from the appreciation in the value of any interest, including Voting Security or interest, held in, or of, the Entity; or the responsibility for the losses associated with the change in value of the Entity or value of any interest, including Voting Security or interest, in the Entity.

Non-Corporate Interest (Control)	27	5.4	2.8
Non-Corporate Interest (Minority)	12	2.4	3.2
License	8	1.6	3.2
Economic Interest	3	0.6	1.2
Total # of Transactions	**819**	**163.8**	**70.2**

Voting Security (Control) acquisitions, Asset acquisitions, and Hiring Events were the three most common categories, comprising a combined 77.2% of the 819 total transactions.

Figure 2: Transaction Types



Excluding Hiring Events and Patent Acquisitions (which staff considered separately), for a remaining total of 627 transactions, Voting Security (Control) and Asset acquisitions comprised 85% of the transactions, or 89% when including Non-Corporate Interest (Control) acquisitions.

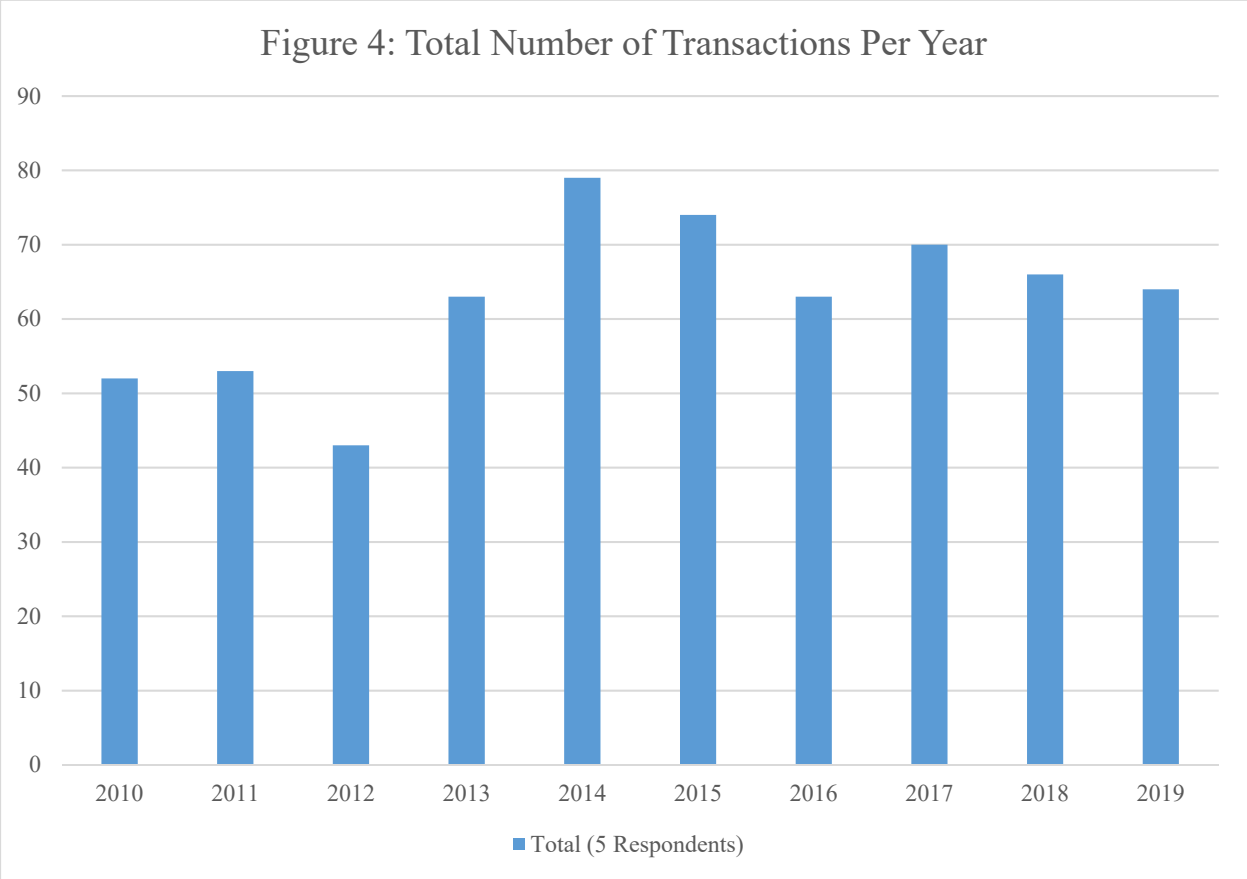
c. Transactions by Year

Excluding Hiring Events and Patent Acquisitions, the total number of transactions per calendar year across the five respondents ranged from 43 (in 2012) to 79 (in 2014), with corresponding annual averages per respondent ranging from 8.6 (in 2012) to 15.8 (in 2014).

Figure 3: Number of Transactions Per Year (Total and Average Per Respondent)

	Total (5 Respondents)	Average Per Respondent	Standard Deviation
2010	52	10.4	7.9
2011	53	10.6	9.9
2012	43	8.6	3.6
2013	63	12.6	5.5
2014	79	15.8	8.1
2015	74	14.8	7.3
2016	63	12.6	4.1
2017	70	14	4.7
2018	66	13.2	5.5
2019	64	12.8	5.8

The number of transactions per calendar year per individual respondent ranged from 2 to 31, with the average annual number of transactions across respondents peaking in 2014 and remaining relatively higher in 2015-2019 than in 2010-2013.



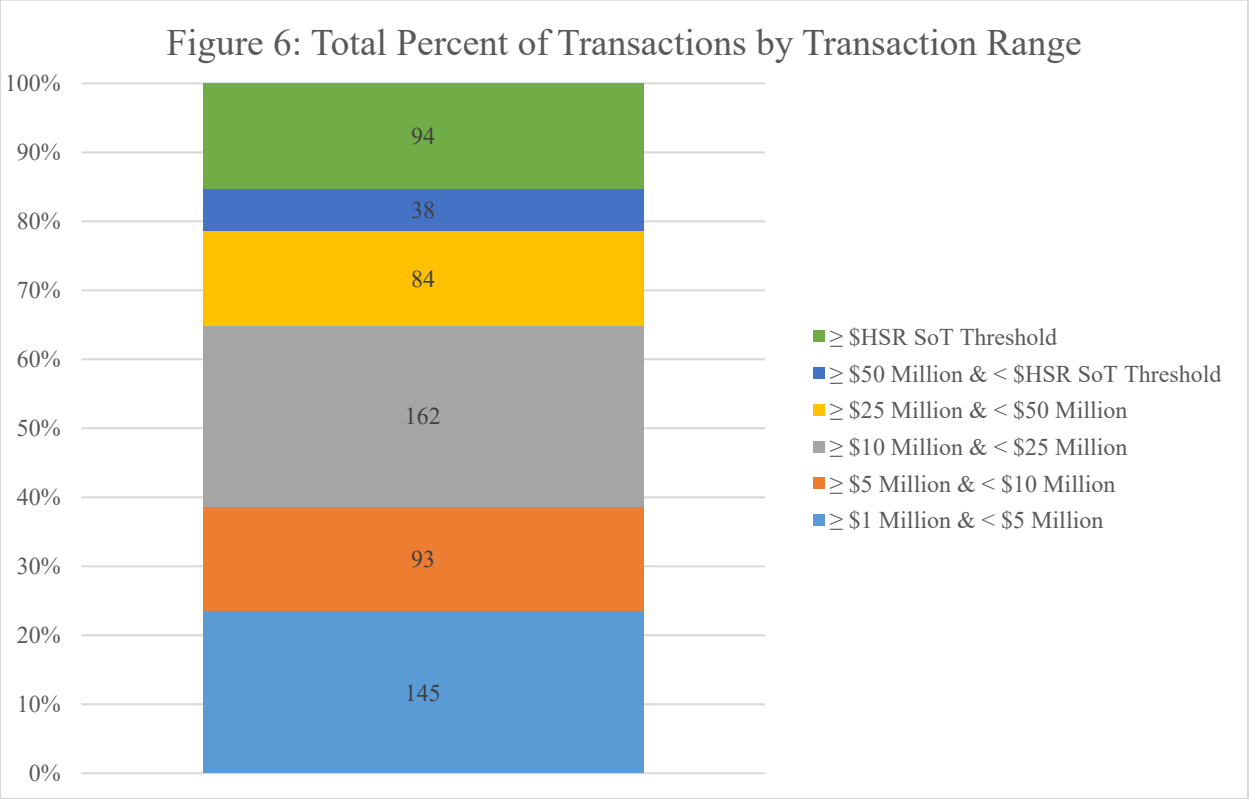
d. Transaction Values

Focusing on transactions (excluding Hiring Events and Patent Acquisitions) above $1 million, the following table reports information on the number of transactions in each transaction range, where the HSR Size of Transaction (SOT) threshold is determined for each transaction individually based on its consummation date (the HSR SOT threshold has increased annually over the 2010-2019 time period).

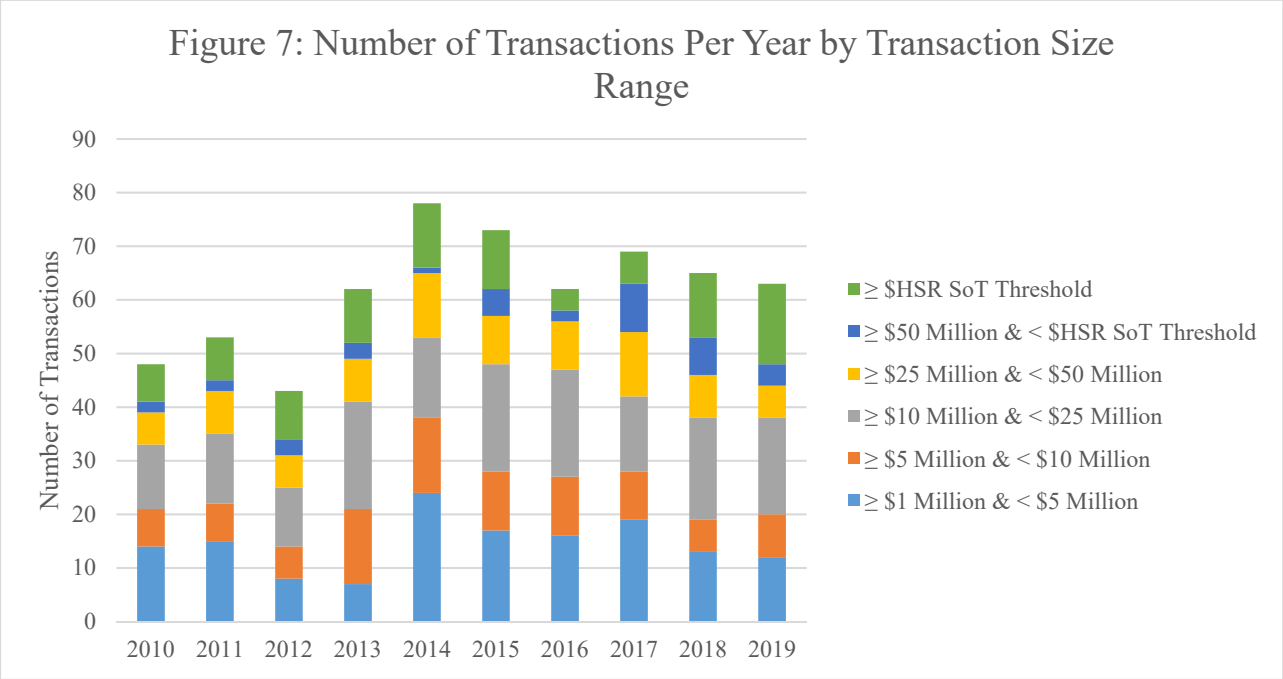
Figure 5: Transactions by Transaction Range

Transaction Range	Total	Average	Standard Deviation	%	Cumulative
≥ $1 Million & < $5 Million	145	29	13.9	23.54%	23.54%
≥ $5 Million & < $10 Million	93	18.6	8.3	15.10%	38.64%
≥ $10 Million & < $25 Million	162	32.4	8.0	26.30%	64.94%
≥ $25 Million & < $50 Million	84	16.8	8.4	13.64%	78.57%
≥ $50 Million & < $HSR SOT Threshold	38	7.6	4.8	6.17%	84.74%
≥ $HSR SOT Threshold	94	18.8	10.8	15.26%	100.00%
All Transactions	**616**	**123.2**	**48.4**		

Transactions in the $1-5 million range were more common than in the $5-10 million range, and transactions in the $10-25 million range were more common than in the $25-50 million range. Of all transactions (above $1 million, excluding Hiring Events and Patent Acquisitions), 65% were between $1 million and $25 million.



The number of acquisitions in each transaction range fluctuated during 2010-2019, with somewhat pronounced increases in the number of transactions in the $10-$25 million range and the $50 million to the HSR SOT threshold range in later years relative to earlier years.



Asset and Control transactions (including Voting Security Control and Non-Corporate Interest Control transactions) were the most common in each transaction range. For transactions exceeding $5 million, the majority were Control transactions. Moreover, the share of Control transactions consistently increases in the range of the transactions, comprising 90.4% of transactions in the highest range (transaction sizes above the HSR SOT threshold). The Pearson correlation[50] between the logarithm of acquisition values and transactions being of Control (either in Voting Security or Non-Corporate Interest), on a range of -1 to 1, with positive values indicating positive correlation and vice versa, is 0.38 (with statistical significance at < 1%); that is, transactions with higher purchase amounts are more likely to be Control acquisitions.

Figure 8: Transaction Type by Range

	Transaction Type					
Transaction Range	Asset	Control Transactions (Voting Security + NCI)	Economic Interest	License	Non-Corporate Interest Minority	Voting Security Minority
≥ $1 Million & < $5 Million	39.3%	37.9%		5.5%	1.4%	15.9%
≥ $5 Million & < $10 Million	31.2%	61.3%				7.5%
≥ $10 Million & < $25 Million	20.4%	71.0%	0.6%		2.5%	5.6%
≥ $25 Million & < $50 Million	21.4%	72.6%	1.2%		2.4%	2.4%
≥ $50 Million & < $HSR SOT Threshold	5.3%	84.2%	2.6%		5.3%	2.6%
≥ $HSR SOT Threshold	5.3%	90.4%			2.1%	2.1%

[50] Correlation measures a statistical relationship between two variables, where 1 indicates the strongest movement in the same direction, -1 in the opposite directions, and 0 being no relation. The Pearson (point-biserial) correlation is a special case of the correlation measure in which one variable is continuous (log of transaction size) and the other variable is binary (0 or 1 indicator variable – in this case, of Control-type transactions).

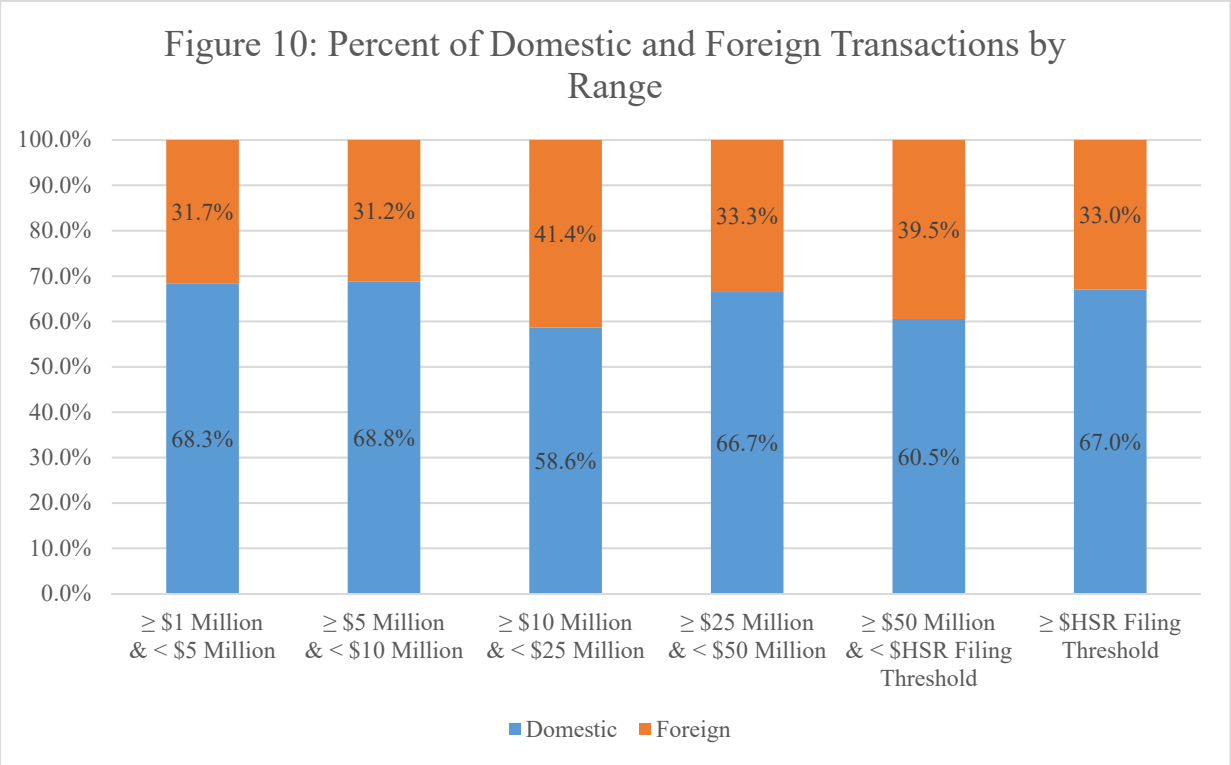
e. Transactions, Domestic/Foreign

The majority of transactions in each transaction range (excluding Hiring Events and Patent Acquisitions) were domestic.

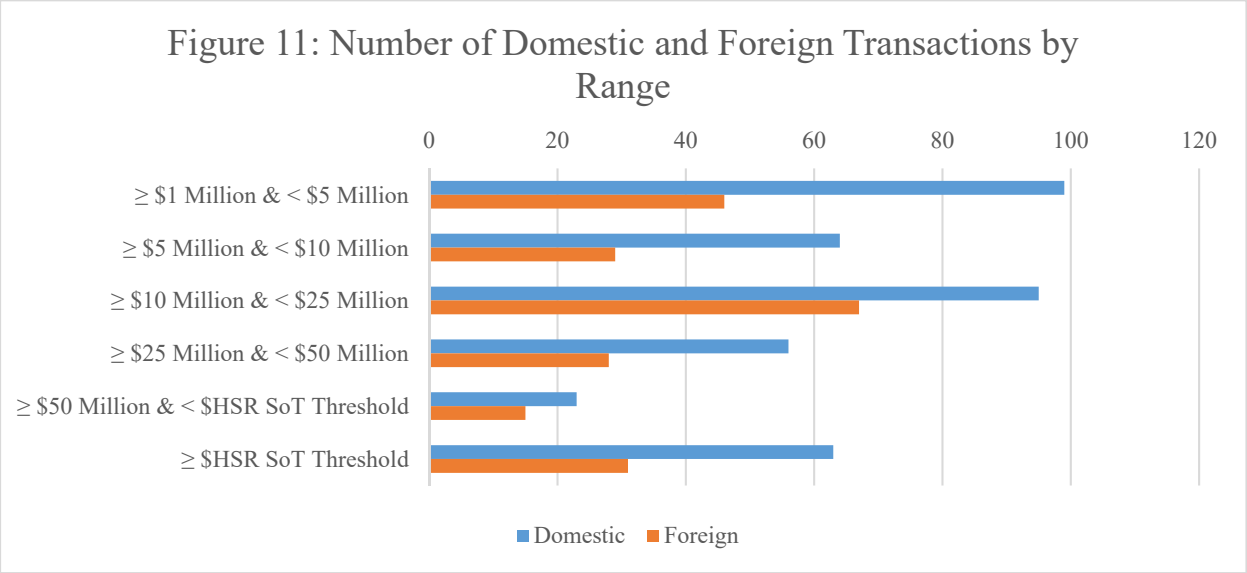
Figure 9: Domestic and Foreign Transactions by Range

Transactions	Domestic	Foreign	% Domestic	% Foreign
≥ $1 Million & < $5 Million	99	46	68.3%	31.7%
≥ $5 Million & < $10 Million	64	29	68.8%	31.2%
≥ $10 Million & < $25 Million	95	67	58.6%	41.4%
≥ $25 Million & < $50 Million	56	28	66.7%	33.3%
≥ $50 Million & < $HSR SOT Threshold	23	15	60.5%	39.5%
≥ $HSR SOT Threshold	63	31	67.0%	33.0%
Overall	400	216	64.9%	35.1%

The share of domestic transactions in each transaction range were somewhat similar across the different transaction ranges, ranging from 58.6% (for the $10-25 million range) to 68.8% (for the $5-10 million range).

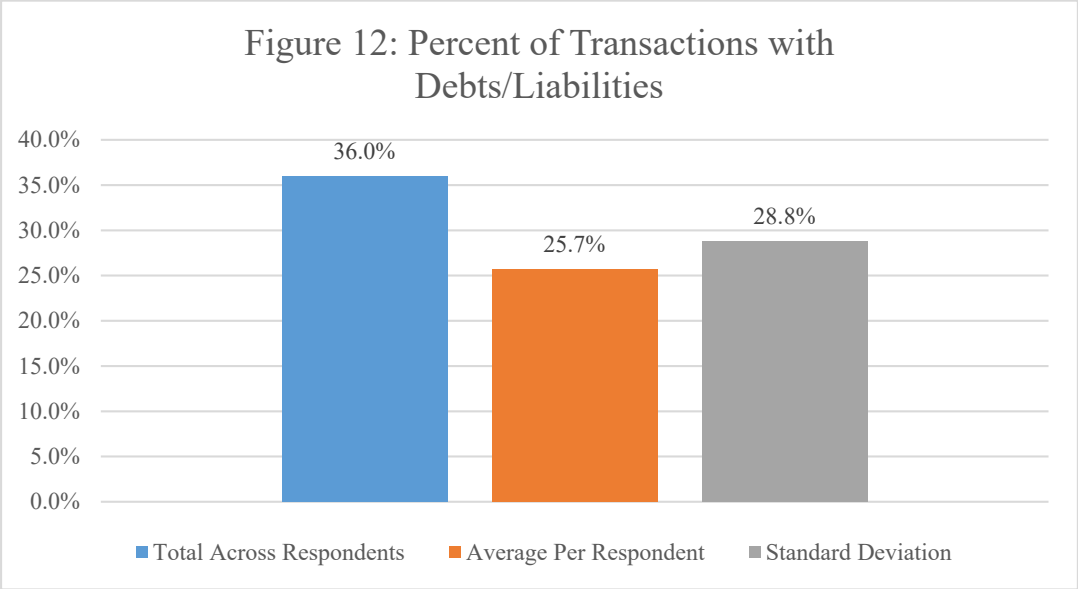


The higher number of transactions in the $1-5 million range than in the $5-10 million range, and transactions in the $10-25 million range than in the $25-50 million range, extended to the number of both domestic and foreign transactions. In addition, the highest numbers of domestic transactions were in the $1 to $5 million and $10 to $25 million ranges, whereas the highest number of foreign transactions was in the $10 to $25 million range.



f. Transactions with Debts/Liabilities

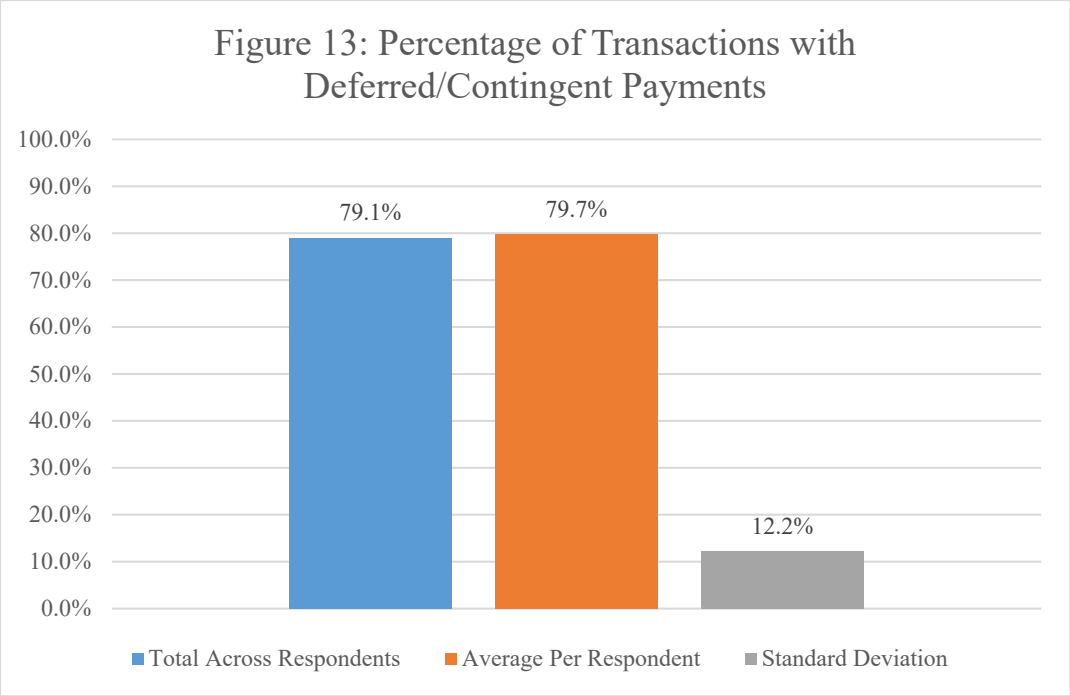
In 36% of the transactions (excluding Hiring Events and Patent Acquisitions), the acquirer assumed some amount of debt or liabilities that the acquired entity had on its balance sheet. On average, for each of the five respondents, 25.7% of the target entities they acquired had debts or liabilities as of the time of the consummation of the transaction.



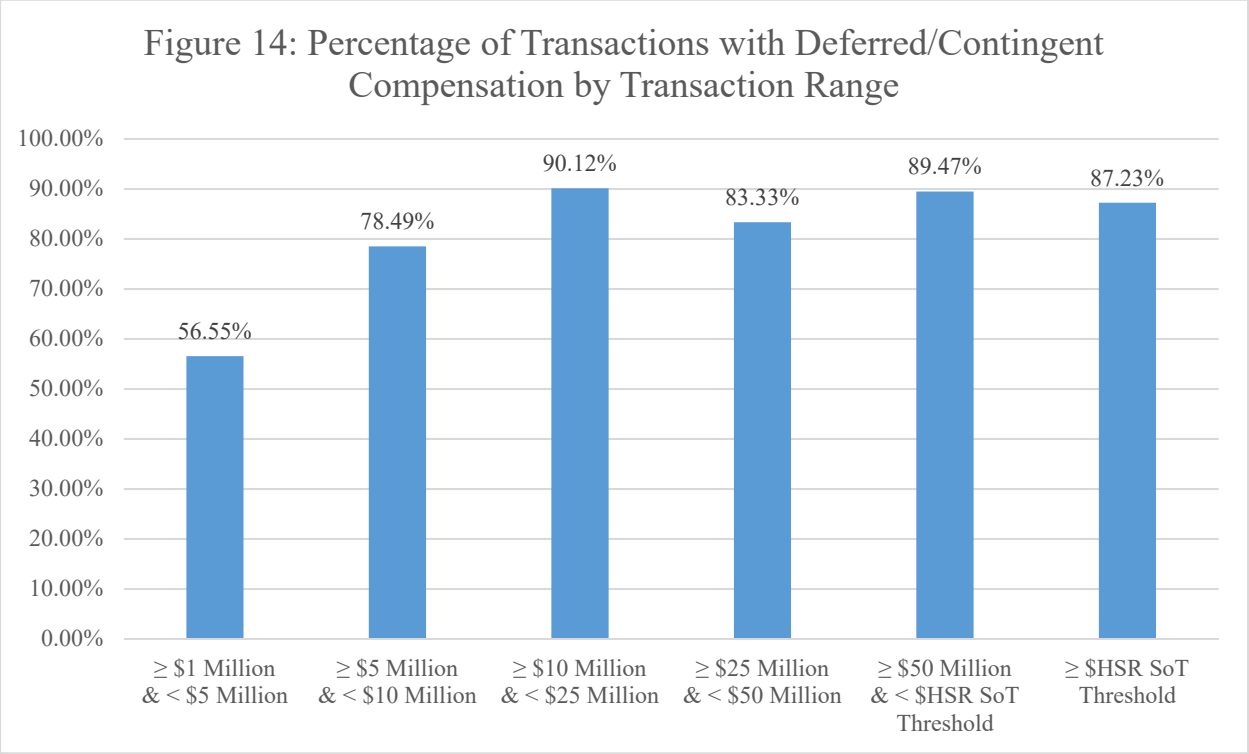
Of the transactions reported, three additional transactions would have exceeded the HSR SOT threshold (i.e., in addition to the 94 transactions already above the HSR SOT threshold) at the time of their consummation when adding the debts or liabilities to their purchase price (to provide a measure of what the purchase price would have been with no debts or liabilities on the acquired entity's balance sheet). At the respondent level, this amounts to an additional 0.6 transactions per respondent on average, with a standard deviation of 1.2.

g. Transactions with Deferred/Contingent Compensation

A majority of transactions also used deferred or contingent compensation to founders and key employees, with relatively small variation across the five respondents.



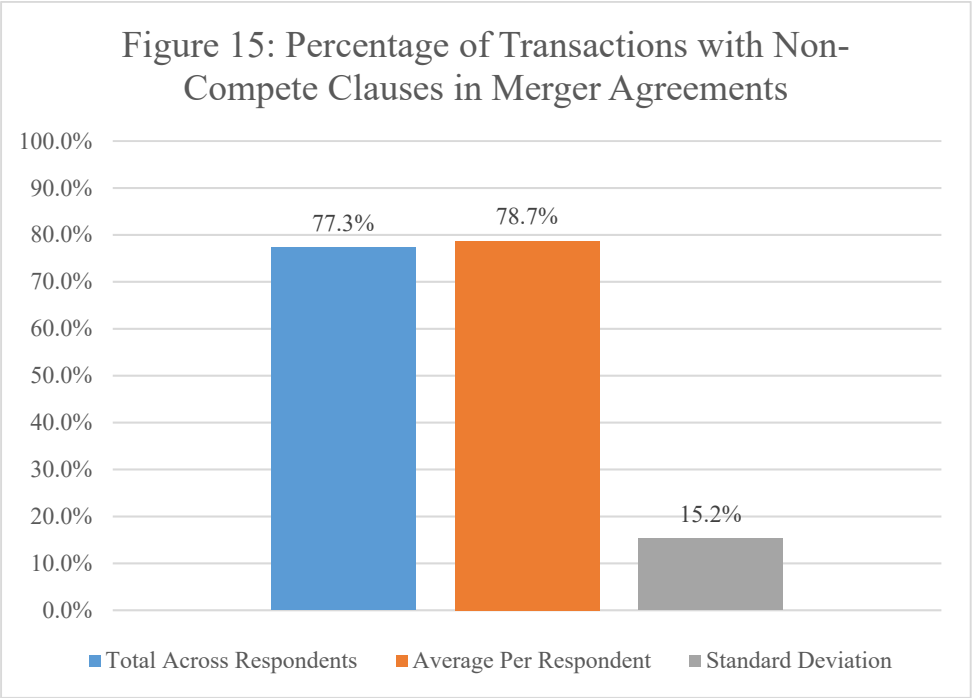
The Pearson correlation between the logarithm of the acquisition value and the acquisition including deferred or contingent compensation is 0.28 (statistically significant at < 1%); that is, higher value transactions were more likely to use deferred or contingent compensation.



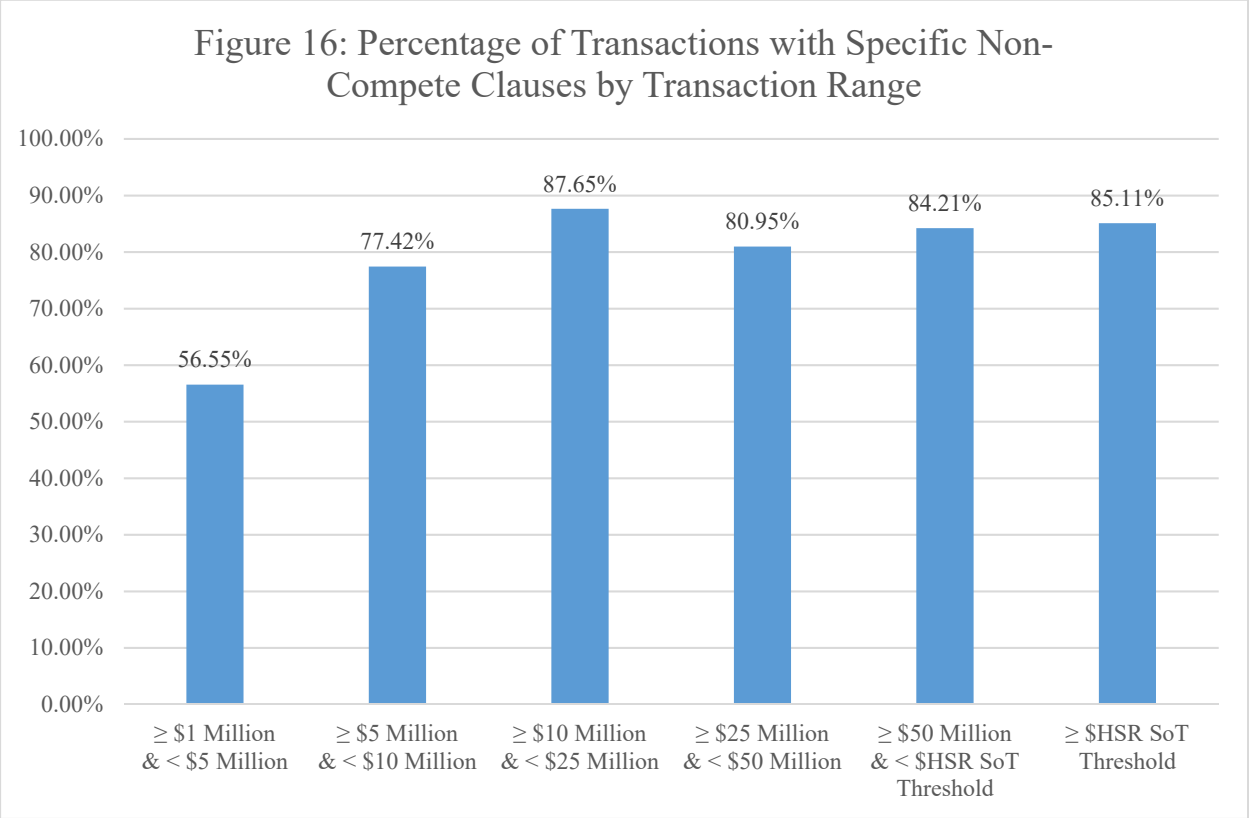
Of the transactions reported, nine additional transactions would have exceeded the HSR SOT threshold (i.e., in addition to the 94 transactions already above the HSR SOT threshold) at the time of their consummation when adding the deferred or contingent compensation (that is separate, and in addition to their purchase price) to their purchase price. At the respondent level, this amounts to an additional 1.8 transactions per respondent on average, with a standard deviation of 2.7.

h. Transactions with Non-Compete Clauses

A majority of transactions, 76.7%, included non-compete clauses for founders and key employees of the acquired entities, with relatively small variation in the percentage of transactions that had non-compete clauses across the five respondents.

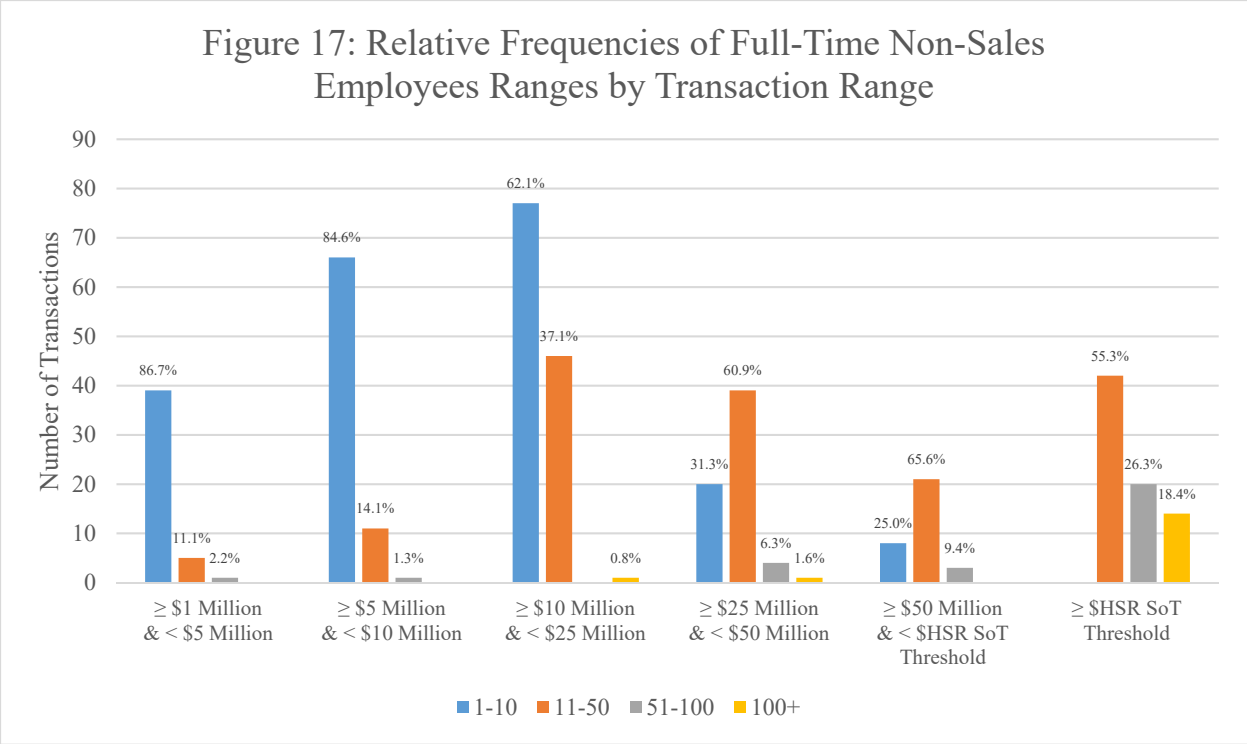


The Pearson correlation between the logarithm of acquisition values and the acquisitions that include non-compete clauses for founders and key employees, on a range of -1 to 1, is 0.24 (statistically significant at < 1%); that is, higher value transactions were more likely to use non-compete clauses. This positive correlation is mostly driven by the smaller transactions of $25 million or less ─ the proportion of transactions with non-compete clauses roughly stabilizes for larger transactions.



i. Transactions by Employee Size (Full-Time, Non-Sales)

In Control and Asset transactions for all or substantially all of the assets of the acquired entity (or a division, subsidiary, office, or product, research, or development team of the acquired entity), the respondents reported the number of full-time non-sales employees, if any, that joined the acquiring firm after the transaction was consummated. In the majority of transactions (a total of 419) for which the number of full-time non-sales employees were reported, the number of employees were between 1 and 10. In addition, the employee counts are positively correlated with the sizes of the transactions.



On a more granular level, the Pearson correlation between the logarithm of transaction values and the logarithm of the number of full-time non-sales employees of the target entities who joined the acquiring firm after the acquisitions of the target entities is 0.74 (significant at < 1%); that is, larger transactions tended to be associated with more employees from the target entity joining the acquiring firm.

j. Transactions by Target Age

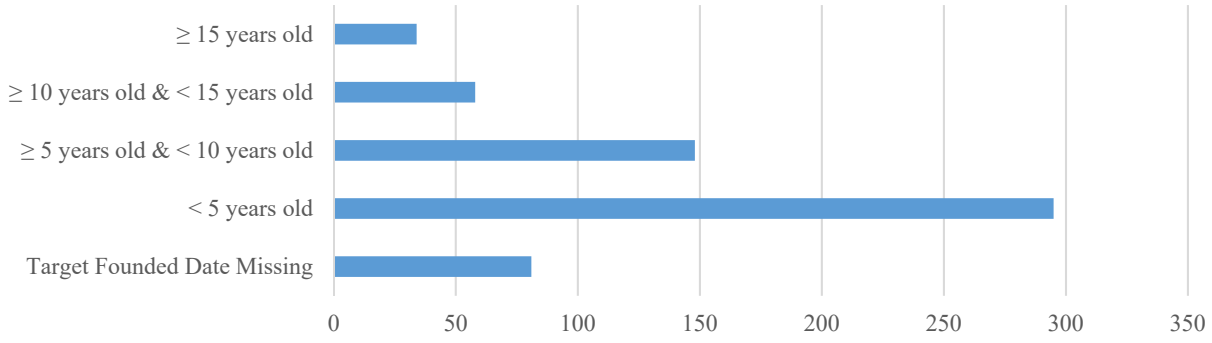
Staff collected additional data on the founding date of the acquired entities (excluding Hiring Events, Patent Acquisitions, and transactions below $1 million) from PitchBook, S&P 451 Research, and Refinitiv. Staff used this information to determine the age of the target firms as of the time of the consummation of their acquisitions, adopting several approaches to determine a target firm's age: using each of the three data sources individually, as well as in combination. An advantage of the latter is that more target firms are matched with founding dates; in the cases of differing information about a target's founding date in the three data sources, we incorporated either the latest founding date or the earliest founding date (uniformly across all such cases). We report the two approaches that utilize a combination of the three data sources, using the latest founding date (the first approach below) and the earliest (the second approach below) founding date in cases of differing information.

Figure 18: Transactions by Target Age Group (Using Latest Available Founding Year When Information Differs)

Target Age Range (Using Latest Available)	Total	% of Total	Average # Per Respondent	Standard Deviation
< 5 years old	295	47.9%	59	23.9
≥ 5 years old & < 10 years old	148	24.0%	29.6	14.4
≥ 10 years old & < 15 years old	58	9.4%	11.6	8.3
≥ 15 years old	34	5.5%	6.8	3.0
Target Founded Date Missing	81	13.1%	16.2	7.8
Total # of Transactions	616			

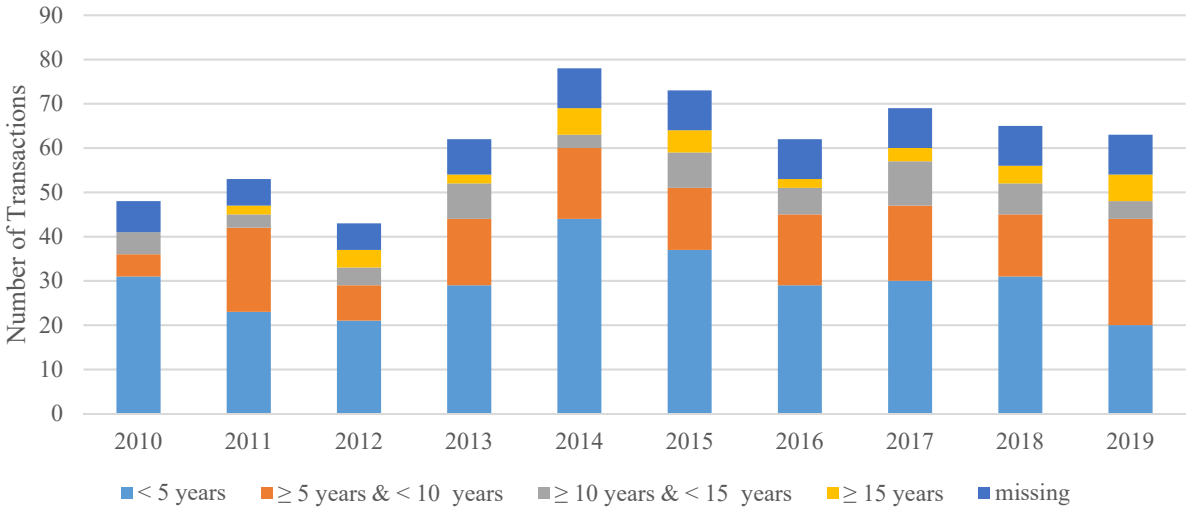
As indicated above, when the founding year differed across the three databases, we used two different approaches to analyze the number of acquisitions per calendar year in each age group. This first approach above takes the latest available founding year (and hence the lowest age) for these firms in cases of differing information.

Figure 19: Number of Transaction by Target Age Group (Using Latest Available Founding Year When Information Differs)



Under this first approach, the number of acquisitions in the youngest (< 5 years old) age group exceeds the number of acquisitions in each of the other age groups.

Figure 20: Number of Transaction by Calendar Year (Using Latest Available Founding Years When Information Differs)

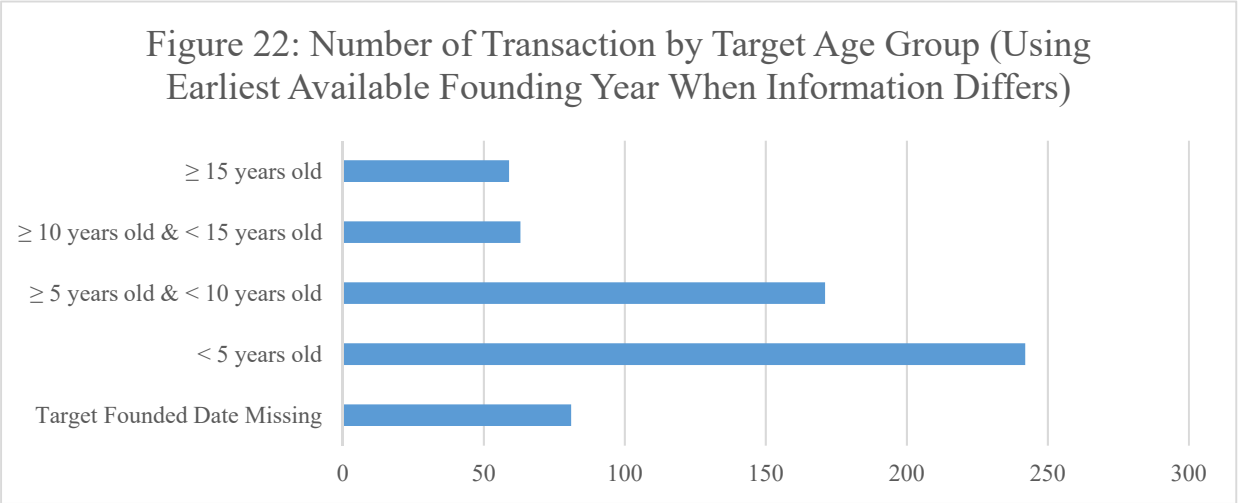


The number of acquisitions in the youngest age group (< 5 years old) fluctuated over time, peaking in 2014. The number of acquisitions in other age groups tended to be higher in the later years than in the earlier years.

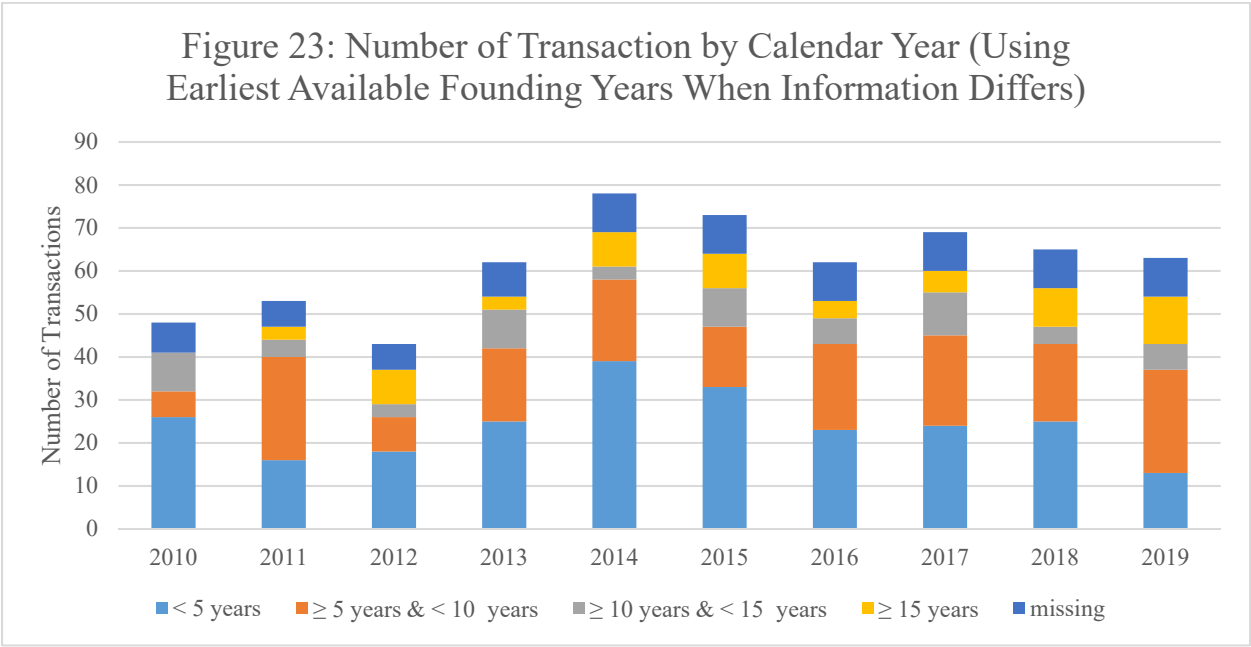
The second approach uses the earliest available founding year (and hence the highest age when information in the three databases differed) and results in some of the acquisitions shifting from younger to older age groups. Under this second approach, the number of acquisitions in the youngest (< 5 years old) age group also exceeds the number of acquisitions in each of the other age groups. However, this approach results in a smaller number of acquisitions in the youngest (< 5 years old) age group and larger numbers of acquisitions in all three other age groups.

Figure 21: Transactions by Target Age Group (Using Earliest Available Founding Year When Information Differs)

Target Age Range (Using Earliest Available)	**Total**	**% of Total**	**Average # Per Respondent**	**Standard Deviation**
< 5 years old	242	39.3%	48.4	19.0
≥ 5 years old & < 10 years old	171	27.8%	34.2	18.8
≥ 10 years old & < 15 years old	63	10.2%	12.6	7.6
≥ 15 years old	59	9.6%	11.8	4.8
Target Founded Date Missing	81	13.1%	16.2	7.8
Total # of Transactions	616			



In summary, depending on the approach used, between 39.3% to 47.9% of transactions were for target entities that were less than five years old at the time of their acquisition. This percentage range could also be different (i.e., fall outside of this range), as the target entities in 13.4% of the transactions did not have founding dates located in any of the three databases.



Under the second approach, the number of acquisitions in the youngest age group (< 5 years old) also peaked in 2014, and the number of acquisitions in the other age groups again tended to be higher in the later years than in the earlier years.

k. Transactions by Sector

Using information from the S&P 451 Research database, we assigned Primary Sector categories (Level 1 in the S&P taxonomy, which is the broadest of four levels) to target entities in all categorized transactions (excluding Hiring Events and Patent Acquisitions) where this information was available (it was not available for approximately 270 transactions). The eight categories with the highest number of acquisitions, in descending order, were:

1. Mobility (mobile devices and device-based software and content);
2. Application Software (front-end applications such as CRM, ERP, SCM, BI, commerce and vertical business software);
3. Internet Content & Commerce (internet destination and internet-enabled services);
4. Infrastructure Management (software to control and manage IT infrastructure including software development, BPM, virtualization and application performance and cloud management);
5. Information Management (software to control information flows including collaboration, email and data management and retrieval);
6. Systems (computers, peripherals and control systems);
7. Security (IT security software and systems including physical security and surveillance); and
8. Media Technologies (systems to control VOD, broadcasting and streaming media, including set top boxes, video encoding and production systems).

Figures 24-31 depict the total number of acquisitions per calendar year in each of these categories, along with some notable technological events that pertain more specifically to each category.[51]

[51] Events listed are based solely on public information and are included in order to provide context to Figures 24-31.

Figure 24: Number of Mobility Transactions Per Year

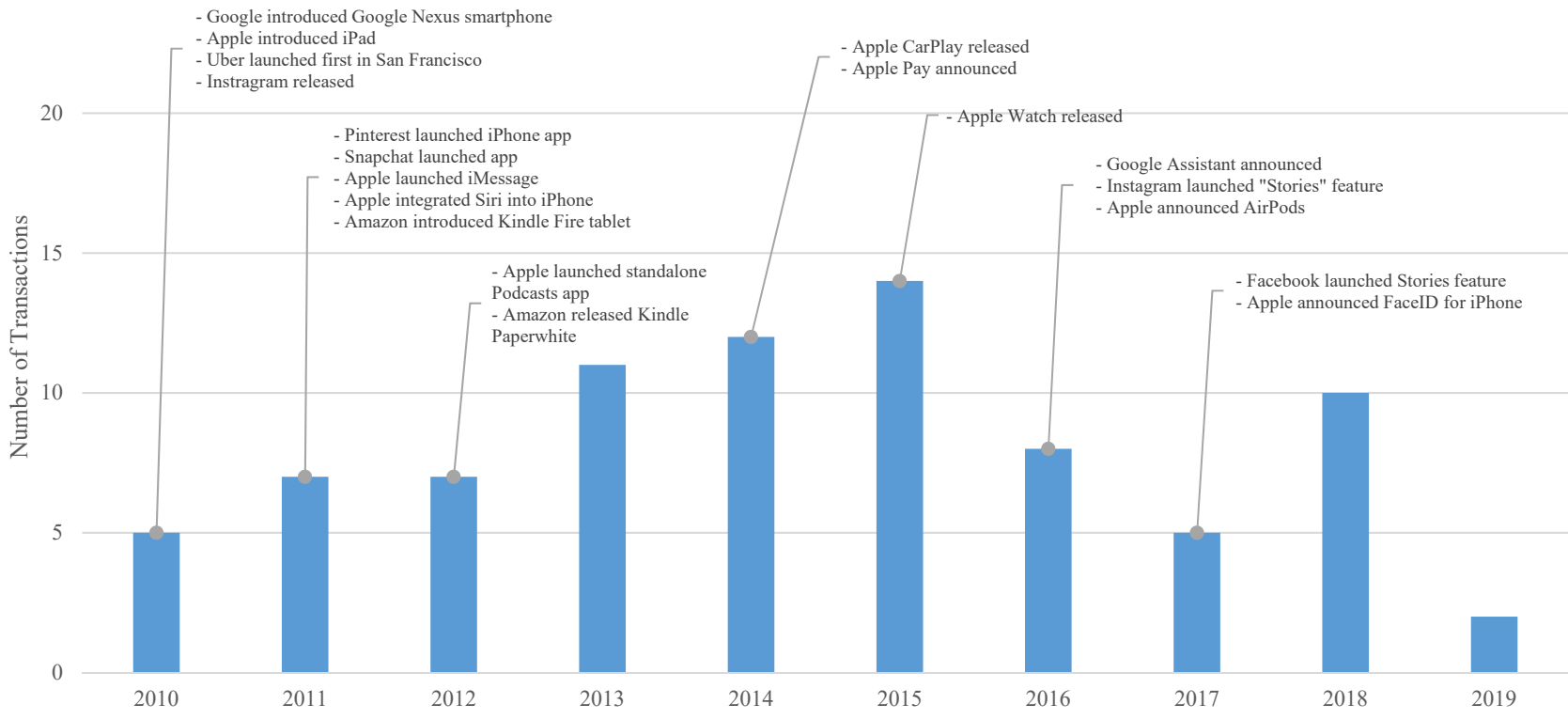
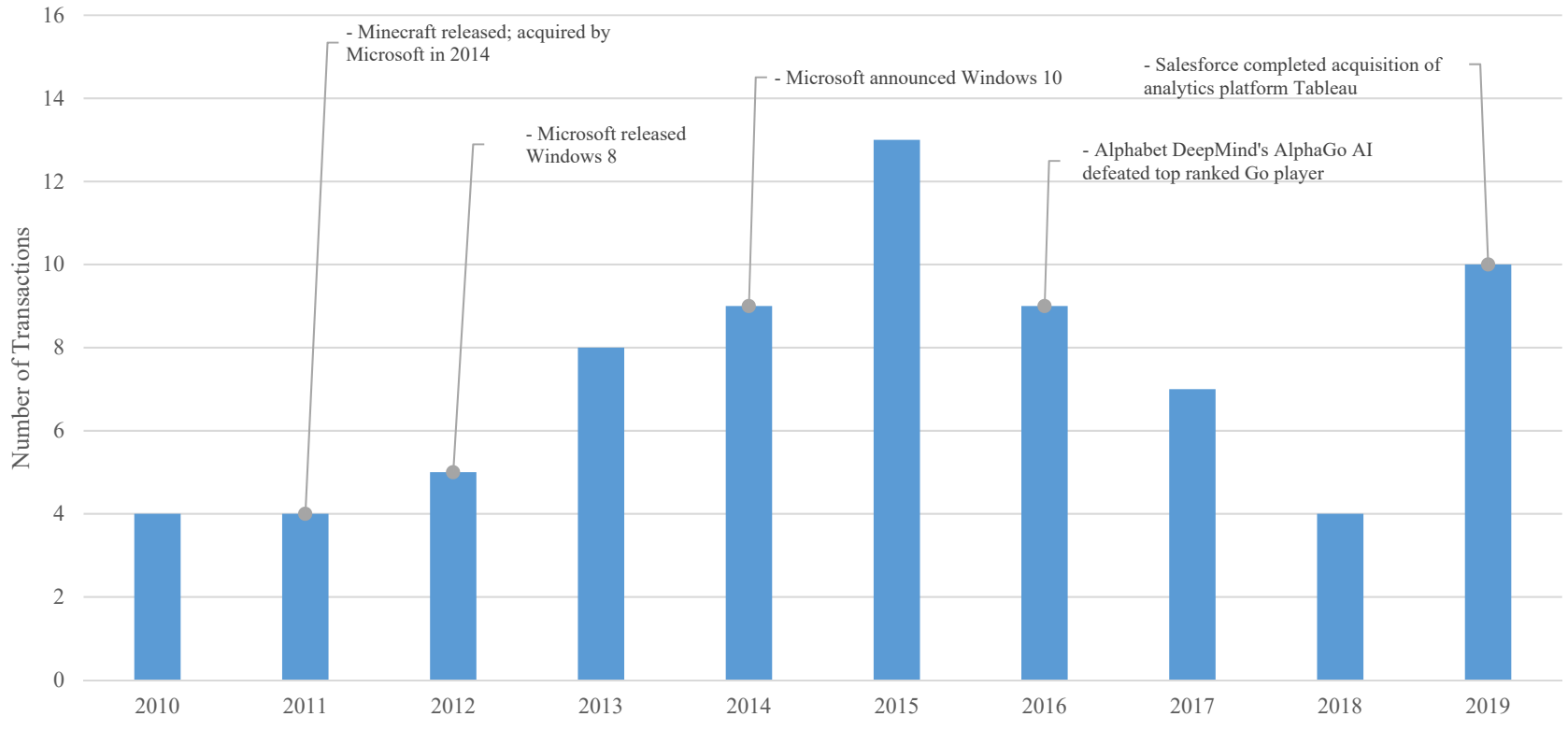


Figure 25: Number of Application Software Transactions Per Year



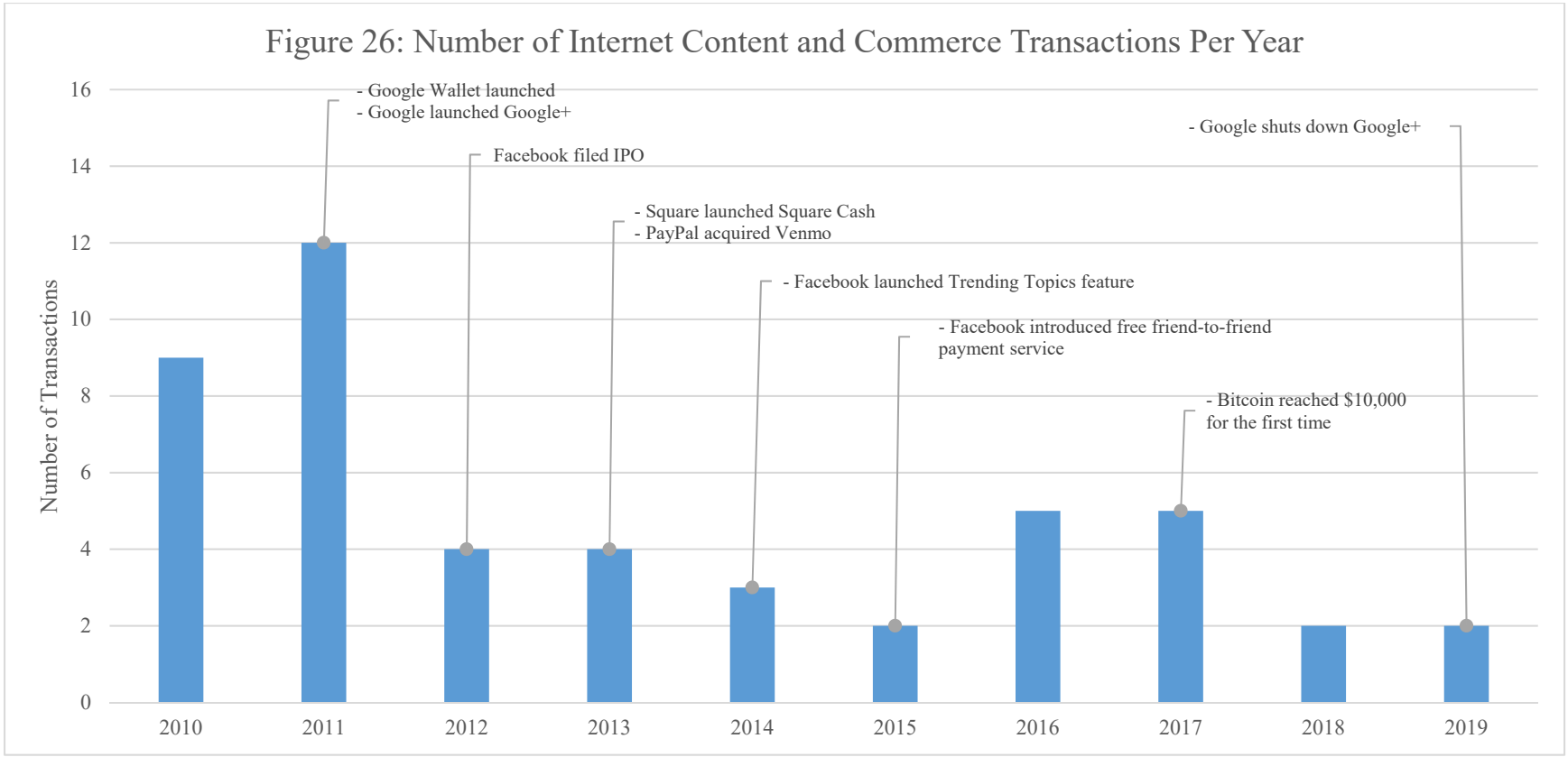


Figure 26: Number of Internet Content and Commerce Transactions Per Year
Number of Transactions
16
14
12
10
8
6
4
2
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
- Google Wallet launched
- Google launched Google+
Facebook filed IPO
- Square launched Square Cash
- PayPal acquired Venmo
- Facebook launched Trending Topics feature
- Facebook introduced free friend-to-friend payment service
- Bitcoin reached $10,000 for the first time
- Google shuts down Google+

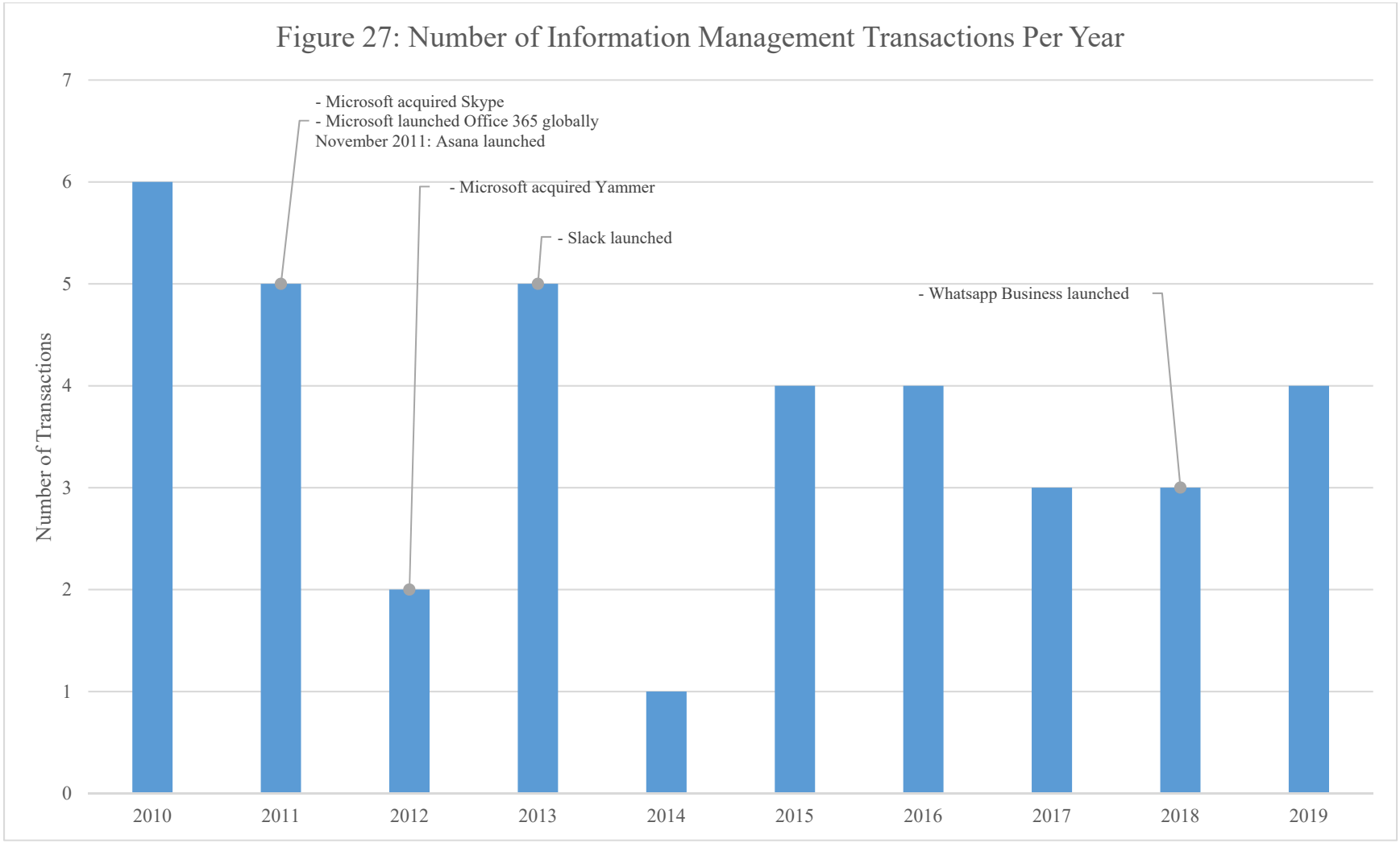


Figure 27: Number of Information Management Transactions Per Year
Number of Transactions
0
1
2
3
4
5
6
7
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
- Microsoft acquired Skype
- Microsoft launched Office 365 globally
November 2011: Asana launched
- Microsoft acquired Yammer
- Slack launched
- Whatsapp Business launched

Figure 28: Number of Infrastructure Management Transactions Per Year

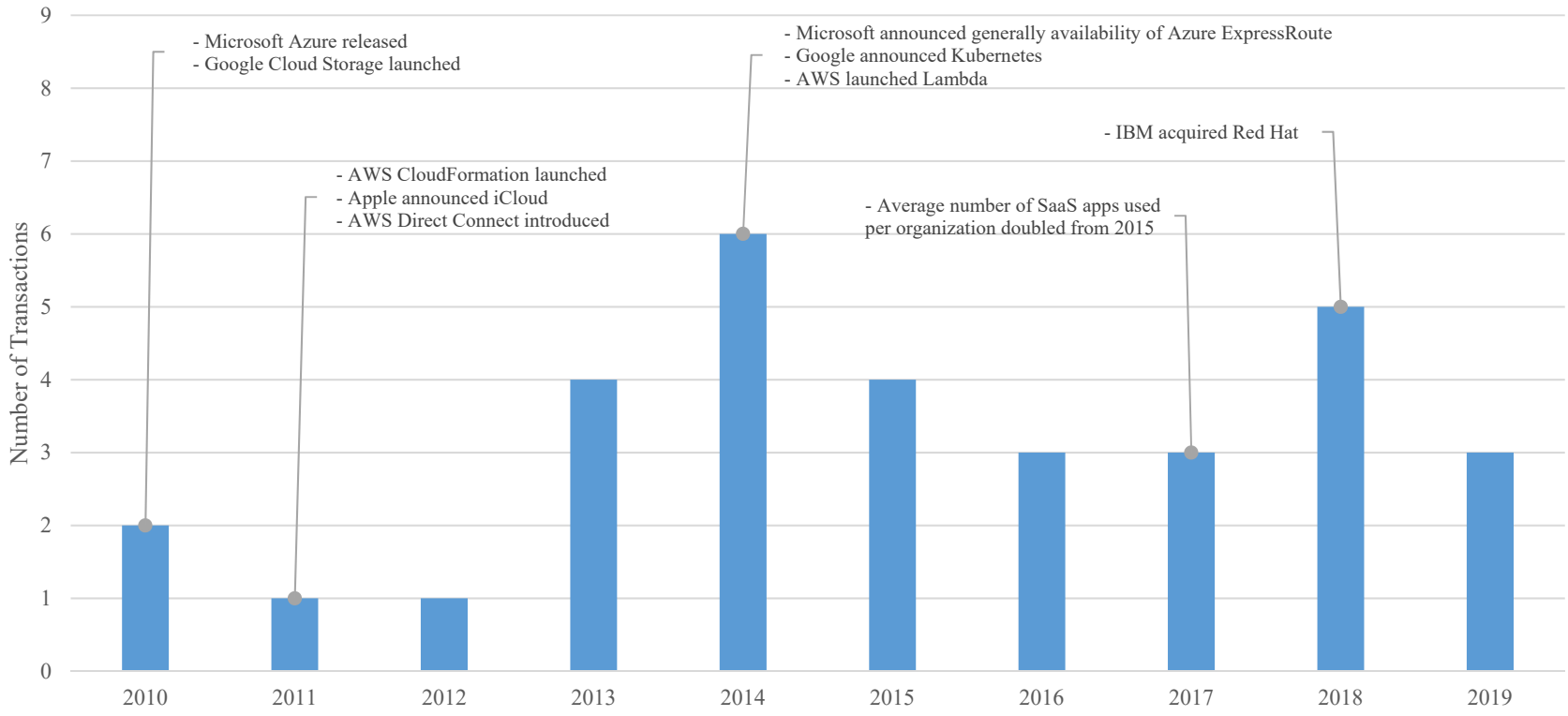
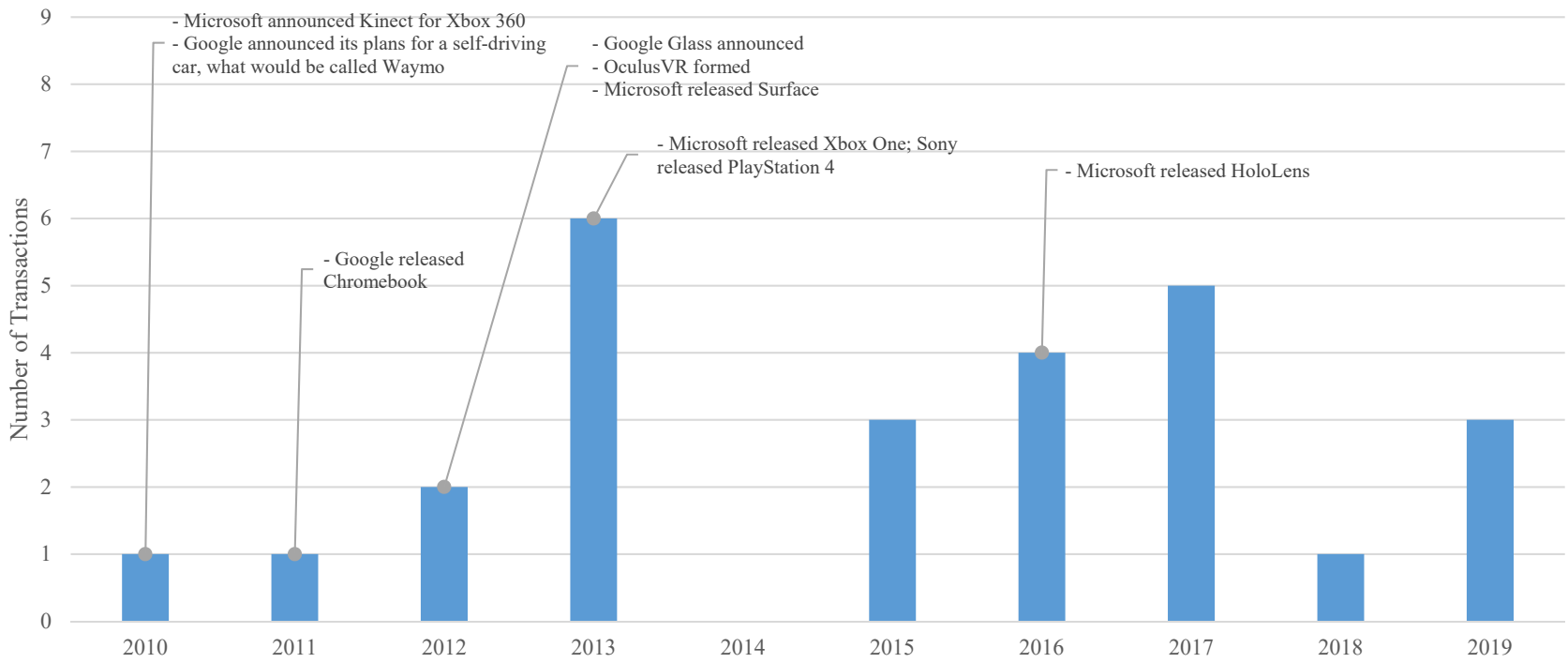


Figure 29: Number of System Transactions Per Year



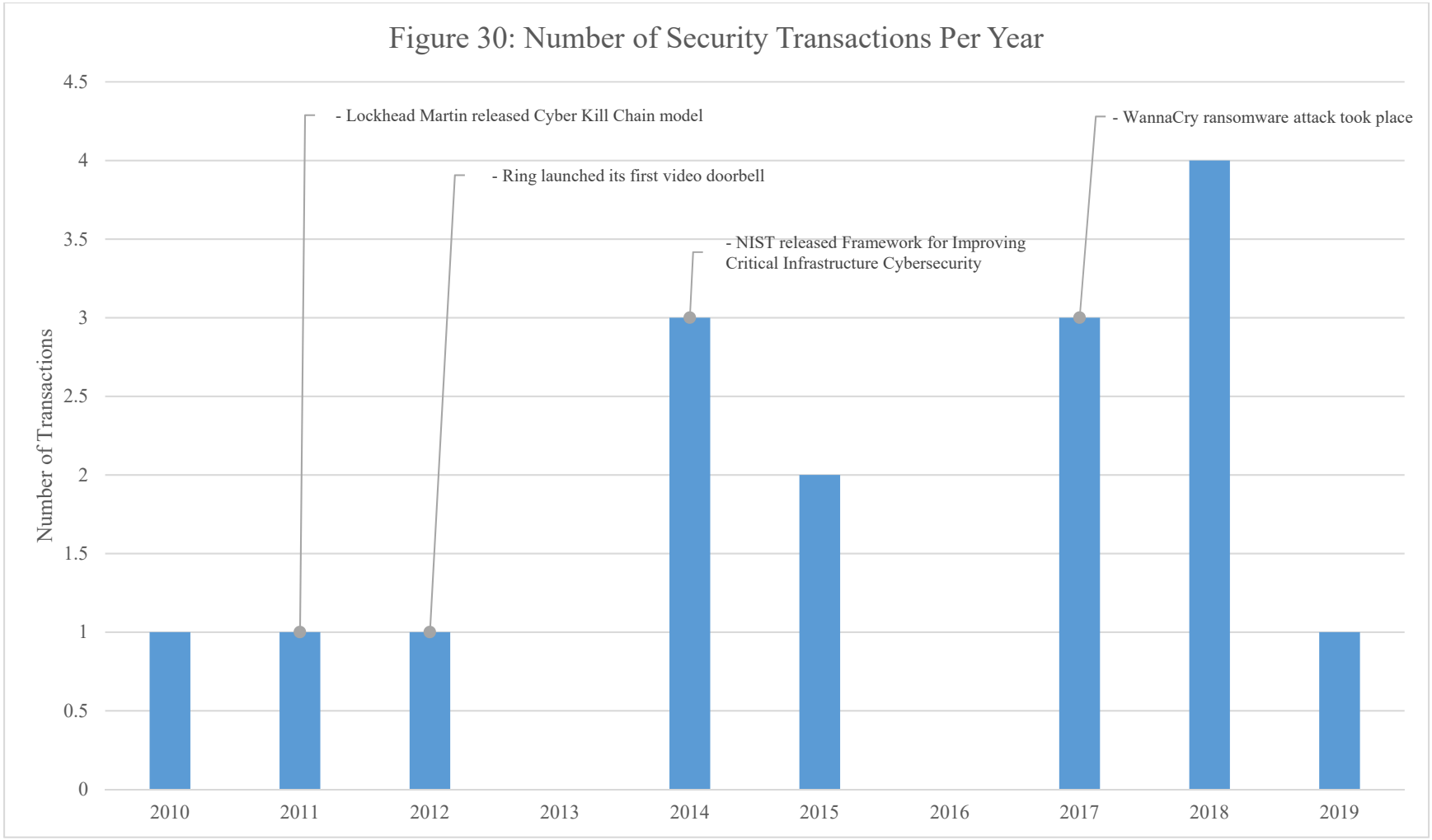
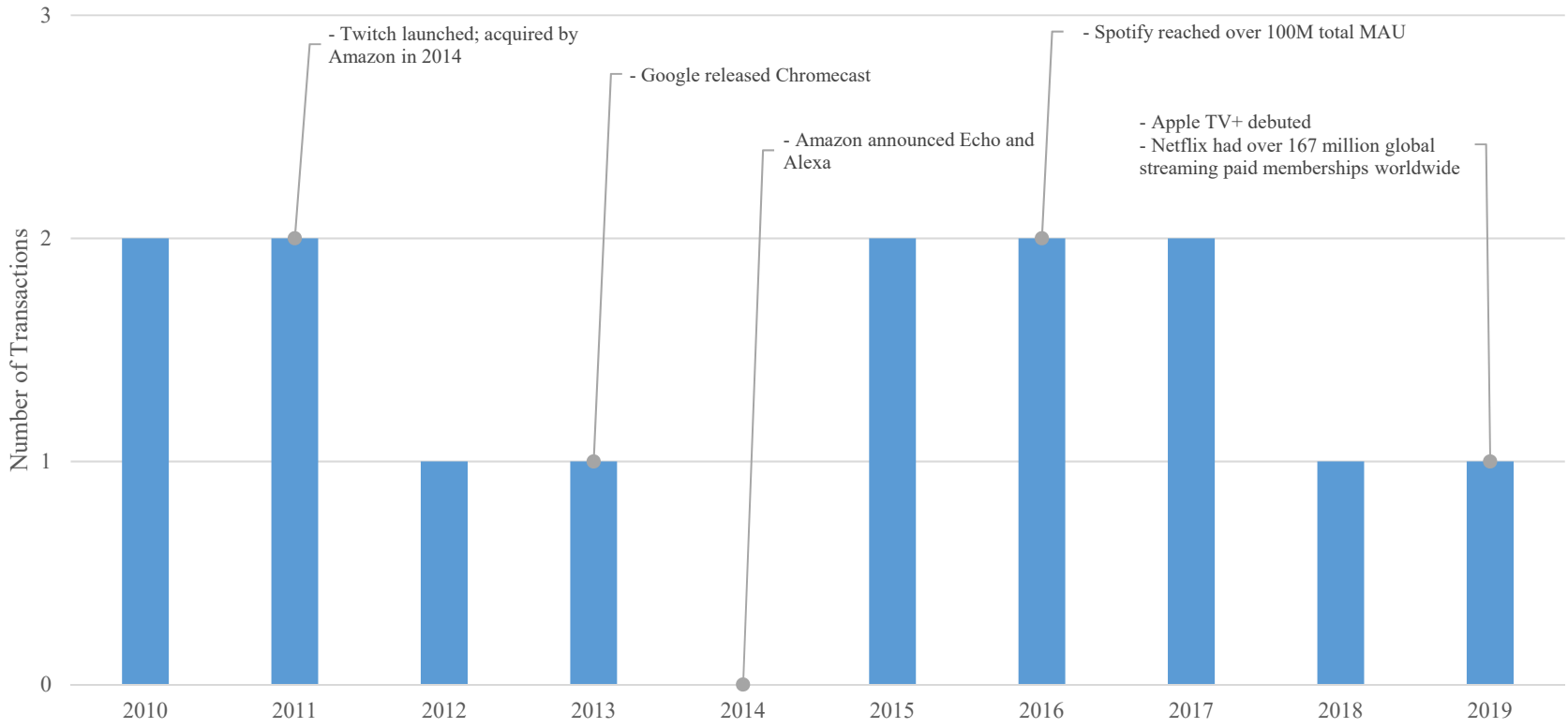


Figure 30: Number of Security Transactions Per Year
Number of Transactions
4.5
4
3.5
3
2.5
2
1.5
1
0.5
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
- Lockhead Martin released Cyber Kill Chain model
- Ring launched its first video doorbell
- NIST released Framework for Improving Critical Infrastructure Cybersecurity
- WannaCry ransomware attack took place

Figure 31: Number of Media Technologies Transactions by Year



4. Summary

The five technology platform 6(b) respondents identified 616 non-HSR reportable transactions above $1 million, in addition to 101 Hiring Events and 91 Patent Acquisitions. The respondents reported an additional approximate 60 transactions below $1 million and 160 financial investments. Voting Security (Control) and Asset acquisitions comprise 65% of all of the above transactions. When excluding Hiring Events, Patent Acquisitions, and transactions below $1 million, Voting Security (Control) and Asset acquisitions comprise 85% of the transactions.

Focusing on the 616 transactions at or above $1 million (that exclude Hiring Events and Patent Acquisitions), the study led to a number of observations:

- The total number of such transactions per calendar year across the five respondents ranged from 43 at its lowest per calendar year (in 2012) to 79 at its highest (in 2014), and remained relatively higher in 2015-2019 (ranging from 63 to 74 transactions) than in 2010-2013 (ranging from 43 to 63 transactions).

- The number of such transactions in each transaction size range fluctuated but generally trended up over the 2010-2019 time period (ranges were between $1 Million and $5 Million, with 23.54% of the transactions; between $5 Million and $10 Million, with 15.10% of the transactions; between $10 Million and $25 Million, with 26.30% of the transactions; between $25 Million and $50 Million, with 13.64% of the transactions; between $50 Million and $HSR Size of Transaction Threshold, with 6.17% of the transactions; and greater than the HSR Size of Transaction Threshold, with 15.26% of the transactions).

- Of these transactions, 65% were between $1 million and $25 million.

- Asset and Control transactions (including Voting Security Control and Non-Corporate Interest Control transactions) were the most common in each transaction range. For transactions exceeding $5 million, the majority were Control transactions. Moreover, higher-value transactions were more likely to be Control acquisitions.

- The majority of transactions in each transaction range were for domestic firms, with roughly two thirds of the entities acquired in each transaction range being domestic.

- In 36% of the transactions, the acquirer assumed some amount of debt or liabilities. Such debts and liabilities, when added to the purchase price of the target, would have tipped the purchase amount of three transactions above the HSR Size of Transaction threshold. That is, three more transactions would have been added to the 94 transactions already above the HSR Size of Transaction threshold.

- More than 79% of transactions also used deferred or contingent compensation to founders and key employees, with relatively small variation across the five respondents. Higher value transactions were more likely to use deferred or contingent compensation. Of the

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transactions reported, nine additional transactions would have exceeded the HSR Size of Transaction threshold (i.e., in addition to the 94 transactions already above the HSR Size of Transaction threshold) at the time of their consummation when adding the deferred or contingent compensation to their purchase price.

- More than 75% of transactions included non-compete clauses for founders and key employees of the acquired entities, with relatively small variation in the percentage of transactions that had non-compete clauses across the five respondents. Higher value transactions were more likely to use non-compete clauses.

- In more than 50% of the transactions for which the number of the target entity's full-time non-sales employees that were hired by the acquirer was reported by respondents (68% of the transactions), the number of employees was between 1 and 10. In addition, the employee counts are positively correlated with the size of the transaction.

- At least 39.3% of the transactions where the target's age was available (86.9% of the transactions) were for firms that, as of the time of the consummation of the transaction, were less than five years old. The distribution of the acquired firms' ages in each calendar year appeared to marginally, though not considerably, change over 2010-2019. The largest such variation was for the number of acquisitions of firms that were less than five years old, which mostly decreased after 2014.

- Most of the transactions that were classified into technology categories were concentrated in the categories of Mobility (mobile devices and device-based software and content, which comprised more than 10% of the acquired firms), Application Software (front-end applications such as CRM, ERP, SCM, BI, commerce and vertical business software, which comprised more than 9% of the acquired firms), and Internet Content & Commerce (internet destination and internet-enabled services, which comprised more than 6% of the acquired firms). In the Mobility and Application Software categories, the number of transactions peaked in 2015; in the Internet Content & Commerce category, the number of transactions peaked in 2011.

This report analyzed certain aspects of the set of non-HSR reportable transactions by five of the largest technology firms during the period of 2010-2019. Notably, the report adds to the existing body of empirical literature on the subject by analyzing a number of trends and patterns identified in the data. The information intends to inform ongoing discussions among policymakers, academics, and other stakeholders.

AR_001833

FEDERAL TRADE COMMISSION

September 2021

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

CONCURRING STATEMENT OF COMMISSIONER REBECCA KELLY SLAUGHTER AND CHAIR LINA M. KHAN

Regarding FTC and State of Rhode Island v. Lifespan Corporation and Care New England Health System

Commission File No. 2110031
February 17, 2022

Today, the Commission voted unanimously to file, together with the state of Rhode Island, a complaint to block the merger of Lifespan Corporation ("Lifespan") and Care New England Health System ("CNE"). Our staff has done a thorough investigation that has culminated in a bipartisan action to challenge a merger that we have reason to believe will extinguish competition between the two dominant hospital systems in the state of Rhode Island.

Lifespan and CNE are the largest and second largest healthcare providers in Rhode Island. As alleged, the merged entity would control at least 70 percent of the markets for inpatient general acute care ("GAC") hospital services and inpatient behavioral health services in Rhode Island. In a broader market that includes surrounding Massachusetts towns (the "MARI area"), the parties would hold roughly 60 percent of the market for inpatient GAC hospital services and at least 50 percent of the market for inpatient behavioral health services. As the complaint alleges, the merger will eliminate the head-to-head competition among the parties in these markets that helps to keep prices lower and quality of care higher.

In addition to supporting the allegations of competitive harm in these markets, we write separately to note that we also would have supported an allegation that the effect of the proposed transaction may be to substantially lessen competition in a relevant labor market in violation of the Clayton Act. Staff's analysis found that [redacted]

Just as we want firms to compete with each other to sell goods and services to their customers, we want employers to compete with each other to attract and retain workers. Just as consumers are worse off when mergers diminish competition for goods and services based on price, quality, and innovation, workers suffer when mergers diminish competition for their labor and employers are insulated from competition driving improved wages, benefits, working conditions, and other terms of employment.

Indeed, there is a growing body of empirical research about the potential for competitive harm to labor markets from consolidation and concentration.[1] The loss of competition from mergers may be especially pernicious in the health care sector where skilled medical professionals are uniquely limited in employer options within their local geographic area. Empirical research suggests that increased employer labor market power via hospital mergers can contribute to wage stagnation for skilled health care professionals.[2] We are grateful for the commitment of healthcare workers to serve our communities day in and day out, especially for these past two years on the front lines of the COVID-19 pandemic. They, just as all workers, deserve the protection of fair competition for their labor.

We take seriously concerns about competition in labor markets and will be vigilant in probing the effects mergers may have on competition for workers' labor. We applaud the staff for their thorough and diligent investigation of the labor market implications of this transaction, and we expect such analysis to continue in future cases.

[1] *See* José Azar, Ioana Marinescu, Marshall Steinbaum & Bledi Taska, *Concentration in US Labor Markets: Evidence from Online Vacancy Data*, 66 Lab. Econ. 101886 (Oct. 2020), https://www.sciencedirect.com/science/article/abs/pii/S0927537120300907; Ioana Marinescu and Herbert J. Hovenkamp, *Anticompetitive Mergers in Labor Markets*, 94 Ind. L. J. 1031 (2019), https://www.repository.law.indiana.edu/ilj/vol94/iss3/5/; Yue Qiu & Aaron J. Sojourner, *Labor-Market Concentration and Labor Compensation* (Jan. 8, 2019), https://ssrn.com/abstract=3312197; Council of Econ. Advisors, *Labor Market Monopsony: Trends, Consequences, and Policy Responses*, (Oct. 2016), https://obamawhitehouse.archives.gov/sites/default/files/page/files/20161025_monopsony_labor_mrkt_cea.pdf).

[2] Elena Prager and Matt Schmitt, *Employer Consolidation and Wages: Evidence from Hospitals*, 111(2) Am. Econ. Review 397 (Feb. 2021), https://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20190690.

FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

FTC Takes Second Action Against JAB Consumer Partners to Protect Pet Owners from Private Equity Firm's Rollup of Veterinary Services Clinics

Agency Requires Firm to Divest Clinics Across the Country, Imposes Strong Prior Approval and Notice on Firm and Buyers

June 29, 2022

Tags: Competition | Bureau of Competition | Merger | Horizontal | Health Care | Hospitals and Clinics | Veterinarians

The Federal Trade Commission today took the second action against JAB Consumer Partners to prevent the private equity firm from further consolidating control over specialty and emergency veterinary clinics. As a condition of JAB's proposed $1.65 billion acquisition of the parent company of veterinary clinic owner Ethos, the FTC is ordering the firm to divest clinics in Richmond, Va., Denver, San Francisco, and the Washington, D.C area. The Commission also is imposing strong prior approval and prior notice requirements on both JAB and its divesture buyers for future acquisitions of specialty and emergency veterinary clinics.

"For the second time in a month, the FTC is taking action to prevent private equity firm JAB from gobbling up competitors in regional markets that are already concentrated," said Holly Vedova, Director of the Bureau of Competition. "Divestitures will help preserve current competition, and the prior notice and approval requirements will allow the FTC to keep a close watch on these markets moving forward."

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Pet owners rely on emergency clinics when they need care at all hours, including when general practice veterinarians are closed. They rely on specialty veterinarians for services that are beyond those typically offered by general veterinarians, such as internal medicine, neurology, medical oncology, critical care, ophthalmology, and surgery.

JAB is the parent company of two firms that operate chains of veterinary clinics providing general, specialty, and emergency care – Compassion-First Pet Hospitals and National Veterinary Associates, Inc. Ethos owns and operates specialty and emergency veterinary clinics in nine states.

According to the complaint, this deal is part of a growing trend towards consolidation in the emergency and specialty veterinary services markets across the United States in recent years by large chains, including JAB, which regularly monitors local markets throughout the United States in contemplation of continued growth through potential small and large acquisitions of specialty and emergency clinics. Earlier this month the FTC ordered JAB to divest clinics in California and Texas as a condition of its proposed $1.1 billion acquisition of another competing clinic operator, SAGE Veterinary Partners, LLC. Just two years ago, the FTC ordered divestitures to remedy another illegal acquisition by JAB – the $5 billion purchase of NVA.

The complaint alleges that as originally proposed, the acquisition is likely to be anticompetitive in four geographic markets for various types of veterinary care:

- In and around **Richmond, Virginia,** for medical oncology veterinary specialty services;
- In and around the **Washington, DC Metro Area**, for medical oncology veterinary specialty services;
- In and around **Denver, Colorado,** for internal medicine, neurology, medical oncology, critical care, surgery, radiology, cardiology, dermatology, and anesthesiology veterinary specialty services and emergency veterinary services; and
- In and around **San Francisco, California**, for internal medicine, neurology, medical oncology, critical care, ophthalmology, and surgery veterinary specialty services and emergency veterinary services

According to the complaint, these markets are highly concentrated, and the acquisition would substantially increase concentration in all of them. In one market, the combined firm would be the

only provider following the transaction. In other markets, the combined firm would be one of only a few alternatives for consumers.

The consent agreement settling the FTC's complaint against JAB and its subsidiaries requires them to:

- **Divest assets:** JAB must sell five clinics to two divestiture buyers–United Veterinary Care, LLC, and Veritas Veterinary Partners–no later than 10 days after its acquisition of Ethos is consummated. The three clinics to be divested to United Veterinary Care include The Oncology Service-Richmond in Richmond, Virginia, as well as the Oncology Service-Springfield, and the Oncology Service-Leesburg in the DC Metro area. The two clinics to be divested to Veritas include Wheat Ridge Animal Hospital in the Denver, Colorado area, and Pet Emergency + Specialty Center of Marin near San Francisco. Divestiture of these assets includes any relocation or expansion of facilities.

- **Seek prior approval:** JAB must obtain the Commission's prior approval before acquiring a specialty or emergency veterinary clinic within 25 miles of any existing or future JAB-owned clinic anywhere in California, Colorado, District of Columbia, Maryland, and Virginia for 10 years.

- **Comply with the prior notice requirement:** The company must also notify the FTC in writing 30 days prior to acquiring any specialty or emergency veterinary clinic within 25 miles of a clinic owned by JAB anywhere in the United States that otherwise is not required to be reported under the Hart-Scott-Rodino Act for 10 years.

The proposed order also requires divestiture buyers United Veterinary Care, LLC, and Veritas Veterinary Partners to obtain prior approval from the Commission before transferring any of the divested assets to any buyer for 10 years after acquiring the divestiture assets, except in the case of a sale of all or substantially all of the company's business.

Further details about the order, including the appointment of a monitor to oversee compliance, can be found in the analysis to aid public comment .

The Commission vote to issue the complaint and accept the proposed order for public comment was 5-0. The FTC will publish the consent agreement package in the Federal Register shortly. Instructions for filing comments appear in the published notice. Comments must be received 30 days after publication in the Federal Register. Once processed, comments will be posted on Regulations.gov.

NOTE: The Commission issues an administrative complaint when it has "reason to believe" that the law has been or is being violated, and it appears to the Commission that a proceeding is in the public interest. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of up to $46,517.

The Federal Trade Commission works to promote competition, and protect and educate consumers. The FTC will never demand money, make threats, tell you to transfer money, or promise you a prize. You can learn more about how competition benefits consumers or file an antitrust complaint. For the latest news and resources, follow the FTC on social media, subscribe to press releases and read our blog.

Press Release Reference

FTC Acts to Protect Pet Owners from Private Equity Firm's Anticompetitive Acquisition of Veterinary Services Clinics

FTC Approves Final Order against JAB Consumer Partners to Protect Pet Owners from Private Equity Firm's Rollup of Veterinary Services Clinics

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