

indicated for the application or the offices of the Board of Governors not later than

**A. Federal Reserve Bank of Minneapolis** (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. *Norwest Corporation*, Minneapolis, Minnesota; to acquire Stan-Shaw Corporation, Anaheim Hills, California, and thereby engage in acting as trustee under deeds of trust, preparing and filing notices of default, reconveyances and related documents, pursuant to § 225.25(b)(3) of the Board's Regulation Y.

2. *Norwest Corporation*, Minneapolis, Minnesota; to acquire Directors Mortgage Loan Corporation, Riverside, California, and thereby engage in (1) the origination, sale and servicing of residential single-family, first mortgage loans, the retention, purchase and sale of servicing rights associates with such mortgage loans, pursuant to § 225.25(b)(1) of the Board's Regulation Y, and (2) the acquisition of 24.6 percent of Mission Savings and Loan Association, Riverside, California, pursuant to § 225.25(b)(9) of the Board's Regulation Y.

3. *Norwest Corporation*, Minneapolis, Minnesota; to acquire Directors Insurance Service, Riverside, California, and thereby engage in (1) providing, as agent for various insurance underwriters, a full line of home mortgage insurance products, including mortgage life, flood, and earthquake insurance, pursuant to section 4(c)(8)(G) of the Bank Holding Company Act.

Board of Governors of the Federal Reserve System, January 23, 1995.

**Jennifer J. Johnson,**

*Deputy Secretary of the Board.*

[FR Doc. 95-2055 Filed 1-26-95; 8:45 am]

BILLING CODE 6210-01-F

### **John William Staley; Change in Bank Control Notice**

#### **Acquisition of Shares of Banks or Bank Holding Companies**

The notificant listed below has applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notice is available for immediate inspection at the Federal Reserve Bank indicated. Once the notice has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested

persons may express their views in writing to the Reserve Bank indicated for the notice or to the offices of the Board of Governors. Comments must be received not later than February 10, 1995.

**A. Federal Reserve Bank of Atlanta** (Zane R. Kelley, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303:

1. *John William Staley*, Nashville, Tennessee; to retain 10.66 percent of the voting shares of First Pikeville Bancshares, Inc., Pikeville, Tennessee, and thereby retain shares of First National Bank of Pikeville, Pikeville, Tennessee.

Board of Governors of the Federal Reserve System, January 23, 1995.

**Jennifer J. Johnson,**

*Deputy Secretary of the Board.*

[FR Doc. 95-2056 Filed 1-26-95; 8:45 am]

BILLING CODE 6210-01-F

### **FEDERAL TRADE COMMISSION**

[File No. 921-0071]

#### **Del Monte Foods Company, et al.; Proposed Consent Agreement With Analysis to Aid Public Comment**

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed consent agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would require, among other things, the California-based corporations to obtain, for ten years, Commission approval before acquiring any stock or assets of a United States canned fruit manufacturer, and before entering into a variety of marketing, packing, or other agreements with competitors.

**DATES:** Comments must be received on or before March 28, 1995.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th Street and Pennsylvania Avenue, N.W., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Ronald Rowe, FTC/S-2105, Washington, DC 20580. (202) 326-2610.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final

approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

In the Matter of DEL MONTE FOODS COMPANY, a corporation; DEL MONTE CORPORATION, a corporation; and PACIFIC COAST PRODUCERS, a corporation, File No. 921-0071.

#### **Agreement Containing Consent Order**

The Federal Trade Commission ("Commission") having initiated an investigation of certain agreements entered into by Del Monte Corporation, a wholly-owned subsidiary of Del Monte Foods Company (hereinafter collectively referred to as "Del Monte"), and Pacific Coast Producers ("PCP"), and it now appearing that Del Monte and PCP, hereinafter sometimes referred to as "proposed respondents," are willing to enter into an agreement containing an order ("Agreement") to terminate such agreements between Del Monte and PCP, to cease and desist from certain acts, and to provide for certain other relief,

It is hereby agreed by and among proposed respondents, by their duly authorized officers and attorneys, and counsel for the Federal Trade Commission that:

1. Proposed respondent Del Monte Corporation, a wholly-owned subsidiary of Del Monte Foods Company, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at One Market Plaza, San Francisco, California 94119.

2. Proposed respondent Del Monte Foods Company 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 at One Market Plaza, San Francisco, California 94119.

3. Proposed respondent Pacific Coast Producers is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its office and principal place of business at 631 N. Cluff Avenue, Lodi, California 95240.

4. Proposed respondents admit all the jurisdictional facts set forth in the draft of complaint.

5. Proposed respondents waive:

- any further procedural steps;
- the requirement that the Commission's decision contain a

statement of findings of fact and conclusions of law;

c. all rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this Agreement; and

d. any claim under the Equal Access to Justice Act.

6. This Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this Agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Agreement and so notify the proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

7. This Agreement is for settlement purposes only and does not constitute an admission by the proposed respondents that the law has been violated as alleged in the draft of the complaint, or that the facts as alleged in the draft complaint, other than jurisdictional facts, are true.

8. This Agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to the proposed respondents, (1) issue its complaint corresponding in form and substance with the draft of complaint and its decision containing the following order to terminate certain agreements entered into between Del Monte and PCP and to cease and desist in disposition of the proceeding, and (2) make information public with respect thereto. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same time provided by statute for other orders. The order shall become final upon service. Delivery by the United States Postal Service of the complaint and decision containing the agreed-to order to proposed respondents' addresses as stated in this Agreement shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not

contained in the order or the Agreement may be used to vary or contradict the terms of the order.

9. Proposed respondents have read the proposed complaint and order contemplated hereby. Proposed respondents understand that once the order has been issued, they will be required to file verified written reports showing they have fully complied with the order. Proposed respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

#### Order

##### I

*It is ordered* that, as used in this order, the following definitions shall apply.

A. "Del Monte Corporation" means Del Monte Corporation, its predecessors, subsidiaries, divisions, groups and affiliates controlled by Del Monte Corporation, and their respective directors, officers, employees, agents, and their respective successors and assigns.

B. "Del Monte" means Del Monte Foods Company, its predecessors, subsidiaries (including Del Monte Corporation), divisions, groups and affiliates controlled by Del Monte Foods Company, and their respective directors, officers, employees, agents, and their respective successors and assigns.

C. "PCP" means Pacific Coast Producers, its predecessors, subsidiaries, divisions, groups and affiliates controlled by Pacific Coast Producers, and their respective directors, officers, employees, members, agents, and their respective successors and assigns.

D. "Respondents" means PCP and Del Monte (including Del Monte Corporation).

E. "Commission" means the Federal Trade Commission.

F. "Canned Fruit" means peaches, pears, fruit cocktail, and fruit mix, which consists primarily of diced peaches and diced pears, that are processed and canned.

G. "Option Agreement" means the Option Agreement between Del Monte Corporation and Pacific Coast Producers entered into on May 4, 1992, pursuant to which Del Monte acquired and PCP conveyed an exclusive and irrevocable option to purchase certain rights in, and title to, certain assets of PCP, including long term contracts with growers.

H. "Supply Agreement" means the Supply Agreement between Del Monte Corporation and Pacific Coast Producers entered into on May 4, 1992, pursuant

to which Del Monte agreed to purchase virtually all of PCP's output of Canned Fruit, canned tomatoes, and canned apricots.

I. "Spot Market" means *ad hoc* inter-canner transactions for Canned Fruit placed on an irregular basis where all Canned Fruit ordered under such an arrangement is delivered within nine weeks of placing the order.

J. "Tri Valley Growers" means Tri Valley Growers, its predecessors, subsidiaries, divisions, groups and affiliates controlled by Tri Valley Growers, and their respective directors, officers, employees, members, agents, and their respective successors and assigns.

##### II

It is further ordered that:

A. Within three (3) days after the date this order becomes final, Respondents shall terminate the Option Agreement;

B. Within three (3) days after the date this order becomes final, Respondents shall declare null and void the following paragraphs of the Supply Agreement: Paragraph 2, subparagraphs (b), (c), (e), and (f), Paragraph 23, Paragraph 24, and Paragraph 25 as it relates to the budget for canning after June 30, 1995; and

C. On or before June 30, 1995, Respondents shall absolutely and in good faith terminate the Supply Agreement.

##### III

It is further ordered that, for a period of ten (10) years from the date this order becomes final, Del Monte shall not, without the prior approval of the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise:

A. Acquire any stock, share capital, equity, or other interest in any concern, corporate or non-corporate, engaged, at the time of such acquisition or within the two years preceding such acquisition, in the manufacture of any type of Canned Fruit in the United States; provided, however, that an acquisition shall be exempt from the requirements of this paragraph if it is solely for the purpose of investment and Del Monte will not hold more than one percent of the shares of any publicly traded class of security; or

B. Acquire any assets, other than in the ordinary course of business, used for or used anytime within the two years preceding such acquisition for (and still suitable for use for) the manufacture of any type of Canned Fruit in the United States; provided, however, that an acquisition of assets will be exempt from the requirements of this paragraph

if the purchase price of the assets-to-be-acquired does not exceed \$1,500,000.00, and the purchase price of all assets used for, or previously used for (and still suitable for use for) the manufacture of any type of Canned Fruit in the United States that Del Monte has acquired from the same person (as that term is defined in the premerger notification rules, 16 C.F.R. § 801.1(a)(1)) in the twelve-month period preceding the proposed acquisition, when aggregated with the purchase price of the to-be-acquired assets, does not exceed \$1,500,000.

#### IV

It is further ordered that, for a period of ten (10) years from the date this order becomes final, unless Del Monte is required to seek prior approval from the Commission pursuant to Paragraph III, and unless Del Monte has obtained such prior approval, Del Monte shall not, without providing advance written notification to the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise, acquire any assets, other than in the ordinary course of business, used for or used anytime within the two years preceding such acquisition for (and still suitable for use for) the manufacture of any type of Canned Fruit in the United States.

The notification required by this paragraph shall be provided to the Commission at least thirty (30) days prior to the acquisition. Such notification shall include a description of the assets to be acquired, the purchase price, the name of the person from whom the assets are to be acquired, including the name of the individual employed by such person that is most knowledgeable about the proposed acquisition, Del Monte's purpose in acquiring the assets from such person, and the use to which Del Monte intends to put such assets. Del Monte shall comply with reasonable requests from Commission staff for additional information within ten (10) days of service of such requests.

#### V

It is further ordered that, for a period of ten (10) years from the date this order becomes final, Del Monte shall not, without the prior approval of the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise:

A. Except with respect to agreements covered by Paragraphs V.B, VI, VII, and VIII, enter into any agreement or other arrangement to purchase or market any type of Canned Fruit with any corporate or non-corporate entity, engaged, at the time of entering into such agreement or other arrangement or within two years

preceding entering into such agreement or other arrangement, in the manufacture of any type of Canned Fruit in the United States; provided, however, that entering into such an agreement or other arrangement will be exempt from the requirements of this paragraph if the agreement or other arrangement is for the purchase of Canned Fruit on the Spot Market; or

B. Enter into any agreement or other arrangement with Tri Valley Growers to have any type of Canned Fruit manufactured on Del Monte's behalf.

#### VI

It is further ordered that:

A. for a period of five (5) years from the date this order becomes final, Del Monte shall not, without the prior approval of the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise, except with respect to agreements covered by Paragraphs V, VII, and VIII, enter into any agreement or other arrangement to have any type of Canned Fruit manufactured on Del Monte's behalf ("co-pack agreement") with any corporate or non-corporate entity, engaged, at the time of entering into such co-pack agreement or within the two years preceding entering into such co-pack agreement, in the manufacture of any type of Canned Fruit in the United States;

B. For a period beginning on the fifth anniversary of the date this order becomes final until ten years from the date this order becomes final, Del Monte shall not, without providing advance written notification to the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise, except with respect to agreements covered by Paragraphs V, VII, and VIII, enter into any agreement or other arrangement to have any type of Canned Fruit manufactured on Del Monte's behalf ("co-pack agreement") with any corporate or non-corporate entity, engaged, at the time of entering into such co-pack agreement or within the two years preceding entering into such co-pack agreement, in the manufacture of any type of Canned Fruit in the United States. Said notification shall be provided to the Commission by Del Monte thirty (30) days before the entity begins manufacturing the Canned Fruit pursuant to such co-pack agreement. Said notification shall include a copy of the proposed co-pack agreement and all schedules and attachments. Del Monte shall comply with reasonable requests from Commission staff for additional information concerning such co-pack agreements within ten (10) days of service of such requests.

#### VII

It is further ordered that, for a period of ten (10) years from the date this order becomes final, Respondents shall not, without the prior approval of the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise, enter into an agreement requiring PCP to manufacture any type of Canned Fruit on behalf of Del Monte ("co-pack agreement"); provided, however, that such a co-pack agreement between Del Monte and PCP will be exempt from the requirements of this paragraph if the aggregate of all co-pack agreements entered into in any calendar year meet all of the following criteria: 1) the amount of retail sizes (net weight under two pounds) does not exceed ten percent of PCP's output of Canned Fruit, measured in basic cases (24 2½ can sizes), manufactured in the same year as the Canned Fruit manufactured pursuant to the co-pack agreements; 2) the amount of peaches grown by PCP used for the co-pack agreements does not exceed 8,000 tons in any year and none of PCP's peaches is used for retail sizes manufactured pursuant to the co-pack agreements, and 3) the total amount of the Canned Fruit manufactured pursuant to the co-pack agreements a) in each of the years 1995 and 1996 constitutes forty (40) percent or less of PCP's output of Canned Fruit manufactured in each of those years, measured in basic cases; and b) in each year thereafter constitutes thirty (30) percent or less of PCP's output of Canned Fruit manufactured in that year, measured in basic cases.

#### VIII

It is further ordered that, for a period of ten (10) years from the date this order becomes final, unless Respondents are required to seek prior approval from the Commission pursuant to Paragraph VI, and unless Respondents have obtained such prior approval, Respondents shall not, without providing advance written notification to the Commission, directly or indirectly, through subsidiaries, partnerships, or otherwise, enter into a co-pack agreement with each other. Said notification shall be provided to the Commission by PCP on or before March 1 of each year in which Del Monte and PCP plan to enter into a co-pack agreement. Said notification shall include a copy of the proposed co-pack agreement, all schedules and attachments, the amount of the planned co-pack stated in basic areas (24 2½ can sizes) and the amount, stated in basic cases, for PCP's planned production of Canned Fruit for the same year.

## IX

It is further ordered that:

A. Within thirty (30) days after the date this order becomes final and every sixty (60) days thereafter until the Supply Agreement is terminated, Respondents shall submit to the Commission a verified written report setting forth in detail the steps taken to comply with Paragraph II of the order; and

B. One year (1) from the date this order becomes final, annually for the next nine (9) years on the anniversary of the date this order becomes final, and at such other times as the Commission may require, Respondents shall file a verified written report with the Commission setting forth in detail the manner and form in which each has complied and is complying with the provisions of this order.

## X

It is further ordered that each of the Respondents shall notify the Commission at least thirty (30) days prior to any proposed change in such Respondent such as dissolution, assignment, or sale resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries or any other change in such Respondent that may affect compliance obligations arising out of the order.

## XI

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 on reasonable notice to Respondents, each of the Respondents shall permit any duly authorized representative of the Commission.

A. Access, during office hours and in the presence of counsel, to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of such Respondent relating to any matters contained in this order; and

B. Upon five days' notice to such Respondent and without restraint or interference from it, to interview officers, directors, or employees of such Respondent, who may have counsel present, regarding such matters.

#### **Analysis To Aid Public Comment on the Provisionally Accepted Consent Order**

The Federal Trade Commission ("the Commission") has accepted for public comment from Del Monte Foods Company, Del Monte Corporation ("Del Monte"), and Pacific Coast Producers ("PCP") and agreement containing

consent order. This agreement has been placed on the public record for sixty days for reception of comments from interested persons.

Comments received during this period will become part of the public record. After sixty days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's order.

The Commission's investigation of this matter concerns a supply agreement between Del Monte and PCP that commenced in July of 1992. The effect of the supply agreement was that Del Monte acquired the business of PCP, and PCP was no longer a competitor in the market for canned peaches, pears, fruit cocktail, and fruit mix ("canned fruit"). The supply agreement also contained an option agreement by which Del Monte had the right to purchase PCP outright. The agreement containing consent order would, if finally accepted by the Commission, settle charges alleged in the Commission's complaint that the supply agreement and option agreement substantially lessened competition in the sale of canned fruit in the United States and that Del Monte entered into such agreements with the effect of restraining, lessening, or eliminating competition, or acquiring or maintaining market power in the same market. The Commission's complaint further alleges that such agreements had and will have anticompetitive effects and that, in entering into such agreements, respondents violated Section 7 of the Clayton Act and Section 5 of the Federal Trade Commission Act.

The order accepted for public comment contains provisions that would require that Del Monte and PCP terminate the supply agreement in June of 1995 and terminate the option agreement and certain provisions of the supply agreement within three days after the date the order becomes final. The provisions of the supply agreement that would require termination within three days relate to planning for the 1995 canning season. The purpose of the delay in terminating the entire supply agreement is to assure the orderly return of PCP to the market as a viable operation engaged in the sale of canned fruit in the United States. The delay permits PCP time to plan for the manufacture of fruit for the 1995 canning season and obtain customers for that fruit, without the pressure of marketing last year's inventory.

For a period of ten years from the date the order becomes final, the order would also prohibit Del Monte from

acquiring, without prior Commission approval, stock in or assets of an entity engaged in the manufacture of any type of canned fruit in the United States. Acquisitions, for investment purposes only, of less than 1% of the outstanding stock of a publicly-traded company would be exempt from the prior approval provision.

Acquisitions of certain assets valued at less than \$1.5 million would also be exempt from the prior approval provision, but the order would require that Del Monte give 30 days' notice to the Commission before consummating the acquisition.

For a period of ten years from the date the order becomes final, the order would also prohibit Del Monte, without obtaining prior Commission approval, from entering into an agreement to buy canned fruit from, or market canned fruit for, a person engaged in the manufacture of canned fruit in the United States. Del Monte would not, however, have to obtain prior Commission approval for purchases made on the spot market.

For a period of ten years from the date the order becomes final, the order would also prohibit Del Monte, without obtaining prior Commission approval, from having canned fruit packed on Del Monte's behalf ("co-pack") by Tri Valley Growers or PCP. Tri Valley Growers is a large manufacturer of canned fruit. Del Monte and PCP may enter into a co-pack agreement for canned fruit, without obtaining prior Commission approval, if the following conditions are met: (1) The amount of PCP's peaches used in the co-pack for Del Monte does not exceed 8,000 tons in any year; (2) the amount or retail sizes packed under the co-pack does not exceed 10% of PCP's output; (3) the total amount of the co-pack does not exceed 40% of PCP's output in each of the first two years after the order becomes final and 30% of PCP's output in each year thereafter. Prior to entering into the supply agreement that is the subject of this complaint, PCP co-packed canned fruit for Del Monte.

For a period of five years from the date the order becomes final, the order would also prohibit Del Monte, without obtaining prior Commission approval, from having canned fruit packed on Del Monte's behalf ("co-pack") by any entity engaged in the manufacture of canned fruit. In years six through ten, Del Monte would have to provide prior notice to the Commission of such a co-pack, but would not need to obtain prior approval.

The purpose of this analysis is to invite public comment concerning the consent order and any other aspect of

this matter. This analysis is not intended to constitute an official interpretation of the agreement and order or to modify its terms in any way.

**Donald S. Clark,**  
Secretary.

**Concurring Statement of Commissioner  
Roscoe B. Starek, III**

*In the Matter of Del Monte Foods  
Company/Pacific Coast Producers, File No.  
921 0071.*

In voting to accept the agreement containing consent order in this matter, I have overcome my reluctance to support an order that at first blush appeared to contain certain inordinately regulatory provisions. As a general proposition, I prefer clear, simple, easily enforceable cease-and-desist language over orders that establish complex metes and bounds for permissible conduct.

Some provisions of the present order—Paragraph VII is the extreme example—seem to prescribe the behavior of Del Monte and Pacific Coast Producers ("PCP") with an unfortunate degree of detail. Despite the detailed nature of those provisions, however, the order is unlikely to place undue constraints on the parties' operations. In particular, the "regulatory"-looking proviso to Paragraph VII clearly constitutes a substantial accommodation—i.e., an exception to what would otherwise be a moratorium on co-pack arrangements between Del Monte and PCP—designed to allow the parties to realize efficiencies. To the extent that the parties need even more latitude than that proviso affords, Paragraph VII allows them to seek the Commission's approval for a more extensive co-pack arrangement. Thus, if the parties wish to expand their co-pack agreement beyond what the proviso to Paragraph VII contemplates, the paragraph operates as it should: it puts on the parties the burden of establishing that a more extensive arrangement will yield net efficiencies.

[FR Doc. 95-2058 Filed 1-26-95; 8:45 am]  
BILLING CODE 6750-01-M

[File No. 951 0007]

**HEALTHSOUTH Rehabilitation  
Corporation; Proposed Consent  
Agreement With Analysis To Aid  
Public Comment**

**AGENCY:** Federal Trade Commission.  
**ACTION:** Proposed consent agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would require, among other things, HEALTHSOUTH, an Alabama-based corporation, to divest Nashville Rehabilitation Hospital and related assets in Nashville, TN. within twelve months to a Commission approved entity. If the divestiture is not

completed on time, the Commission would be permitted to appoint a trustee to complete the transaction. In addition, the consent agreement would require HEALTHSOUTH to terminate management contracts to operate rehabilitation units at Medical Center East in Birmingham, AL. and Roper Hospital in Charleston, S.C. Also, the consent agreement would require HEALTHSOUTH, for ten years, to obtain Commission approval before merging, by acquisition, lease, management contract or otherwise, any of its rehabilitation hospital facilities in any of the three areas with any competing facilities in those areas.

**DATES:** Comments must be received on or before March 28, 1995.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., N.W., Washington, D.C. 20580.

**FOR FURTHER INFORMATION CONTACT:** Mark Horoschak or Oscar Voss, FTC/S-3115, Washington, D.C. 20580. (202) 326-2756 or 326-2750.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

In the matter of HEALTHSOUTH REHABILITATION CORPORATION, a corporation,

**Agreement Containing Consent Order**

The Federal Trade Commission ("Commission"), having initiated an investigation of the proposed merger of ReLife, Inc. with HEALTHSOUTH Rehabilitation Corporation ("HEALTHSOUTH"), and it now appearing that HEALTHSOUTH, hereinafter sometimes referred to as "proposed respondent," is willing to enter into an agreement containing an order to divest certain assets and to cease and desist from making certain acquisitions, and providing for other relief:

It is hereby agreed by and between the proposed respondent, by its duly

authorized officer and attorney, and counsel for the Commission that:

1. Proposed respondent HEALTHSOUTH is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at Two Perimeter Park South, Birmingham, Alabama 35243.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of complaint.

3. Proposed respondent waives:

- a. Any further procedural steps;
- b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;
- c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement; and
- d. Any claim under the Equal Access to Justice Act.

4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by the proposed respondent that the law has been violated as alleged in the draft of complaint or that the facts as alleged in the draft complaint, other than jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to the proposed respondent, (1) issue its complaint corresponding in form and substance with the draft of complaint and its decision containing the following order to divest and to cease and desist in disposition of the proceeding, and (2) make information public with respect thereto. When so entered, the order shall have the same