

indirectly acquire Community Bank of Texas, Beaumont, Texas.

Board of Governors of the Federal Reserve System, September 29, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-24738 Filed 10-4-95; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL TRADE COMMISSION

[File No. 941 0015]

Federal News Service Group, Inc., 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 prohibit, among other things, a District of Columbia corporation that sells verbatim news transcripts, and its president, from agreeing, or soliciting an agreement, to allocate customers or divide markets with any provider of news transcripts; entering into, continuing, or renewing any agreement that prevents Reuters America from competing with the respondents in the production, marketing or sale of news transcripts; renewing its news transcript supply agreement with Reuters America for five years; agreeing, or soliciting agreements, with competitors to fix or maintain resale prices for news transcripts; and requiring or pressuring any competitor to maintain or adopt any resale price for news transcripts.

DATES: Comments must be received on or before December 4, 1995.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: Michael Antalics, FTC/S-2627, Washington, DC 20580. (202) 326-2821.

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)).

The Federal Trade Commission having initiated an investigation of certain acts and practices of Federal News Service Group Inc., and Cortes W. Randell, hereinafter sometimes referred to as "Proposed Respondents", and it now appearing that Proposed Respondents are willing to enter into an Agreement containing an Order to Cease and Desist from engaging in the acts and practices being investigated,

It Is Hereby Agreed by and between the Proposed Respondents, their attorney, and counsel for the Federal Trade Commission that:

1. Proposed Respondents Federal News Service Group, Inc. ("FNS") is a corporation organized, existing and doing business under and by virtue of the laws of the District of Columbia, with its offices and principal place of business located at 620 National Press Building, Washington, D.C. 20045. FNS operates under the business name Federal News Service.

2. Proposed Respondents Cortes W. Randell is an individual who is President of Proposed Respondents FNS. His principal office and place of business is 620 National Press Building, Washington, D.C. 20045.

3. Proposed Respondents admit all the jurisdictional facts set forth in the draft of complaint.

4. Proposed Respondents waive:

- (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.

5. This agreement shall not become a 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.

6. This agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents 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.

7. 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 § 2.34 of the Commission's Rules of Practice, the Commission may, without further notice to the Proposed Respondents, (1) issue its complaint corresponding in form and substance with the draft of the complaint and its decision containing the following Order to cease and desist in disposition of the proceeding, and (2) make information public in respect thereto. When so entered, the Order to cease and desist shall have the same force and effect as other orders. The Order may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The Order shall become final upon service. Delivery by the U.S. 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 agreement may be used to vary or contradict the terms of the Order.

8. Proposed Respondents have read the draft complaint and Order contemplated hereby. They understand that once the Order has been issued, they will be required to file one or more compliance reports showing that 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

For the purposes of this Order:

A. "Respondents" mean Federal News Service Group, Inc., its subsidiaries, divisions, and groups and affiliates controlled by Federal News Service Group, Inc., its successors and assigns, and its directors, officers, employees, agents, and representatives; Federal

News Service, its subsidiaries, divisions, and groups and affiliates controlled by Federal News Service, its successors and assigns, and its directors, officers, employees, agents, and representatives; and Cortes W. Randell, an individual, his employees, agents, and representatives, and entities controlled by him.

B. "Reuters" means Reuters America Inc., its directors, officers, representatives, delegates, agents, employees, successors, assigns and its subsidiaries and their successors and assigns.

C. "News transcripts" mean fast turnaround verbatim transcripts of statements made by governmental officials or others covering a variety of news events or individual news events or parts thereof that are usually but not always produced within three (3) hours of the event and transmitted in any manner to resellers and customers in the United States. The definition of "news transcripts" does not include the "Daybook", a daily calendar of news events not containing news transcripts, which is sold by Reuters to FNS.

D. "News Transcript Provider" means any person or entity which produces news transcripts, by itself or through an arrangement by which a third party produces news transcripts exclusively for that person or entity, and markets and sells such news transcripts as a daily news service on a subscription basis.

II

It Is Ordered that Respondents, directly, indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into, attempting to enter into, or continuing or attempting to continue, any combination, agreement or understanding, either express or implied, with any News Transcript Provider to allocate or divide markets or customers with respect to news transcripts.

III

It Is Further Ordered that Respondents, directly, indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into, continuing, or renewing any agreement between Respondents and Reuters that prevents Reuters from in any way competing with Respondents for the production, marketing or sale of news transcripts.

IV

It Is Further Ordered that for five (5) years from either the date this Order becomes final or July 31, 1995, whichever is later, Respondents directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do cease and desist from entering into, continuing, or renewing any agreements with Reuters providing for the supply of news transcripts or the purchase or sale of news transcript customer contracts or accounts.

Provided that nothing in this Order shall prohibit Respondents from:

A. Selling a subscription for news transcripts to Reuters for Reuters internal use but not for resale; and

B. Contracting with Reuters for Reuters to supply Respondents with Reuters' Daybook.

It Is Further Ordered that Respondents, directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Entering into, attempting to enter into, maintaining, enforcing, or attempting to enforce, any agreements or understandings with any competitor in the production, distribution, or sale of news transcripts, or any purchaser or reseller of news transcripts which is directly or indirectly supplied by Respondents, that fix, establish, control, or maintain resale prices or resale price levels for news transcripts; or

B. Requiring, coercing, or otherwise pressuring any competitor in the production, distribution or sale of news transcripts, or any purchaser or reseller of news transcripts which is directly or indirectly supplied by Respondents, to maintain, adopt, or adhere to any resale price or resale price level for news transcripts.

VI

It Is Further Ordered that Respondents shall:

A. Within thirty (30) days after the date this Order becomes final, distribute a copy of this Order and complaint to each of their employees and news transcript resellers.

B. Within ninety (90) days after the date this Order becomes final, and annually thereafter for five (5) years on the anniversary of the date this Order becomes final, and at such other times as the Commission may, by written notice to the Respondents require, file a verified written report with the Commission setting forth in detail the

manner and form in which the Respondents have complied and are complying with this Order.

C. Maintain and make available to Commission staff for inspection and copying upon reasonable notice, records adequate to describe in detail any action taken in connection with the activities covered by this Order.

D. Notify the Commission at least thirty (30) days prior to any proposed change in the corporate 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 Respondents which may affect compliance obligations arising out of this Order.

VII

It Is Further Ordered that this Order shall terminate as follows:

A. With respect to Federal News Service Group, Inc., this Order shall terminate twenty (20) years from the date this Order becomes final.

B. With respect to Cortes W. Randell, this Order shall terminate twenty (20) years from the date this Order becomes final, unless Cortes W. Randell totally ceases and does not resume his participation in the news transcript business in any capacity, in which case this Order shall terminate five (5) years from the date he ceased participating in the business.

Analysis of Proposed Consent Order To Aid Public Comment

The Federal Trade Commission has accepted an agreement to a proposed consent order from Federal News Service Group, Inc. ("FNS"), which is located in Washington, DC, and its President, Cortes W. Randell.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and decide whether it should withdraw from the agreement or make final the agreement's proposed order.

The complaint alleges that FNS and Cortes Randell engaged in acts and practices that have unreasonably restrained competition in the news transcript business in violation of Section 5 of the Federal Trade Commission Act. News transcripts are fast turnaround verbatim transcripts of a variety of news events primarily involving the federal government. Cortes Randell is the President of FNS, and the complaint alleges that he formulated, directed, and controlled the alleged acts and practices of FNS.

The complaint alleges that before May 1993, FNS and Reuters America Inc. ("Reuters") directly competed with each other for news transcript customers. The news transcripts sold by Reuters were

produced by News Transcripts Inc. ("NTI"), and Reuters had the exclusive right to market these news transcripts.

The complaint alleges that by May 1993, FNS, Reuters and Cortes W. Randell agreed that Reuters would become a reseller of FNS-produced news transcripts and not sell news transcripts to FNS's customers; Reuters would not produce or sell any news transcripts which compete with FNS-produced news transcripts; and Reuters would not sell news transcripts below a minimum monthly price of \$500.

The complaint further alleges that Reuters, in concert with FNS, induced NTI to cease producing news transcripts and not to compete with FNS. The complaint alleges that the purpose or effect of the agreements was to eliminate competition in the production and sale of news transcripts. The complaint alleges that after FNS became the sole producer of news transcripts, many customers of FNS received price increases.

The complaint also alleges that FNS and Cortes W. Randell, in concert with Reuters, coerced a reseller to raise the price of the reseller's news transcript database. The reseller raised its price to assure its continued supply of FNS-produced news transcripts.

FNS and Cortes W. Randell have signed a proposed consent agreement that prohibits them from agreeing to or attempting to agree to allocate customers or divide markets with any provider of news transcripts. For a five year period, the proposed consent agreement also prohibits FNS from having a supply agreement with Reuters or an agreement with Reuters to acquire or sell news transcript customer accounts. Additionally, the proposed consent agreement prohibits FNS or Cortes W. Randell from entering into agreements with Reuters that prevent Reuters from competing in the production, marketing, or sale of news transcripts. Finally, the proposed consent order prohibits FNS or Cortes W. Randell from fixing or attempting to fix resale prices for news transcripts.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the terms of the agreement and proposed order or to modify in any way their terms.

Donald S. Clark,
Secretary.

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[File No. 951-0107]

First Data Corporation; Consent Agreement With Analysis to Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: 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 First Data, a Hackensack, New Jersey corporation to divest either the Western Union business acquired through its merger with First Financial Management Corporation or its own MoneyGram business to an entity that will operate it in competition with the merged company.

DATES: Comments must be received on or before December 4, 1995.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: William J. Baer, Bureau of Competition, Federal Trade Commission, H-374, 6th Street & Pennsylvania Ave., NW., Washington, DC 20580. (202) 326-2932, or Ann Malester, Bureau of Competition, Federal Trade Commission, S-2307, 6th Street & Pennsylvania Ave., NW., Washington, DC 20580. (202) 326-2682.

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)).

Agreement Containing Consent Order

The Federal Trade Commission ("Commission") having initiated an investigation of the proposed acquisition of all of the stock of First Financial Management Corporation ("First Financial") by First Data Corporation ("First Data"), and it now appearing that First Data, hereinafter sometimes referred to as "proposed respondent," is willing to enter into an agreement containing an Order to divest certain assets and providing for other relief:

It is hereby agreed by and between proposed respondent, by its duly authorized officers and attorney, and counsel for the Commission that:

1. Proposed respondent First Data Corporation 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 401 Hackensack Avenue, Hackensack, New Jersey 07601.

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

3. Proposed respondent waives:

- 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.

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 proposed respondent that the law has been violated as alleged in the draft of complaint, or that the facts 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 force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to Order to proposed