██████████████████████████

February 1, 1994

Patrick Sharpe, Esq.

Federal Trade Commission
Sixth St. and Pennsylvania Ave., N.W.
Washington, D.C. 20580

Dear Mr. Sharpe:

nonreportability of the following transaction under the Hart-

> A, a United States person, intends to acquire
> assets valued at more than $15 million from
> B. A and B meet applicable size-of-person
> tests. The assets consist of a ████████
> ████████████████████████████ No
> sales in or into the United States are
> attributable to the ███ over the last several
> years. However, after the acquisition, the
> ███ will be employed in the U.S., and as of
> the time of the acquisition, it is presently
> contemplated that the ███ will already have
> been moved to the U.S.

As we discussed, the reportability of the above transaction
turns upon the proper interpretation of the exemption in 16
C.F.R. § 802.50(a)(1) for "acquisitions of assets located outside
the United States, to which no sales in or into the United States
are attributable." You indicated that for assets that have been
operated and used outside of the United States, the applicability

of the exemption depends not on the actual physical location of
the assets at the time of acquisition, but rather upon whether
sales in or into the U.S. were attributable to the assets during
the most recent year. Where no such U.S. sales are attributable
to assets that have been operated and used outside the U.S., you *recently moved to the U.S. but generated revenues in a foreign location*
advised that the exemption applies, regardless of whether the
assets are physically located inside the United States at the
time of the acquisition.

     Accordingly, you advised that the transaction described
above would be exempt from Hart-Scott under 16 C.F.R. §
802.50(a)(1).   If this letter does not accurately describe the
advice you provided concerning the nonreportability of the
transaction, please call me immediately.

                         Very truly yours,

I concur, (PS)

see letter to (PS) 2-13-93
that supports this position

called   2-2-94