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;12-20-84 ; 2:57PM ;

TA(c)(1); 802.1(b)

BY FACSIMILE TRANSMISSION

Richard B. Smith, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Sixth and Pennsylvania Avenue, N.W.
Room 322
Washington, D.C. 20530

Re: Request for Informal Interpretation Relating
to Acquisitions of Office Equipment Leases

Dear Dick:

This letter is to confirm our conversation in which you concluded that both the transactions described below are exempt from the notification and waiting periods of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 under 15 U.S.C. § 18a(c)(1) as acquisitions of goods transferred in the ordinary course of business.

Transaction #1

My client is a diversified corporation with subsidiaries or divisions that operate a variety of businesses. One division is a finance company that routinely originates financing transactions and also routinely purchases financing transactions, typically

finance company a portfolio of

routinely sell off portions of leases. We understand that after this transaction, the seller will continue to originate lease financing transactions for

Richard B. Smith, Esq.
December 20, 1994
Page 2

[REDACTED]. We do not have complete information about the identity of the lessees but we believe that the lessees are Fortune 500 companies and other firms that

or more of the lessees competes with one of the businesses of my client (e.g., they compete in the manufacture and sale of widgets)

You and I discussed the relevance of Interpretation #25 of the ABA Premerger Notification Practice Manual which suggests competition between the acquiring person and the lessee is one factor that is relevant to the analysis of the sale of leases. You concluded that in this situation, where the asset subject to lease is not central to the lessees' business and was a small portion of the lessees' productive assets, the possibility of competition between the acquiring person and the lessee would not preclude

The second transaction involves the same acquiring person but the leases being acquired are for [REDACTED]. One other difference is that the seller is the manufacturer of the [REDACTED] that are the subject of the leases. We understand that for at least the last eight years the seller has had a practice of selling off portfolios of leases on a quarterly basis. Again, we lack detailed information about the lessees but it is believed that they are a diverse group of business firms. It is possible that one or more of these firms competes with my client, the acquiring person. For the same reasons as expressed above with respect to

Transaction #1, you concluded that the possibility of competition between the acquiring person and the lessee did not preclude the application of the exemption.

[REDACTED] the transactions described above are

Office agree with this analysis.

[REDACTED]

Richard B. Smith, Esq.
December 20, 1994
Page 3

I hope that I have accurately recounted our conversation and that you will let me know if any portion of this letter is inaccurate.

Best regards to you and your colleagues for the holiday season.

[REDACTED]

12/20/94 - [unclear] discussion with AD [unclear] notes

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[Faint, illegible text]