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TO: Hy Rubinstein

COMPANY: HSR Enforcement Division

FAX: 1-202-326-2050

PAGES: Cover Plus 2

FROM:



PHONE:



RE: 4475/33

MESSAGE

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[REDACTED]

[REDACTED]

March 8, 1996

[REDACTED]

Mr. Hy Rubinstein
Hart-Scott-Rodino Enforcement Division
United States of America
Federal Trade Commission
Pennsylvania Avenue at 6th Street, N.W.
Washington, D.C. 20580
BY FAX (202) 326-2624 and
(202) 326-2050

Dear Mr. Rubinstein:

This is to request your advice with respect to the filing requirements of a transaction in which my client is considering engaging. I made an informal inquiry over the telephone, and if the answer I was given then is, in fact, the correct answer, then the costs of the Hart-Scott-Rodino filings which would be required are going to persuade the [REDACTED] however, I thought I would restate the question in writing to make certain that the answer I received before [REDACTED] that these entities proposing to merge into one entity would have to

Three companies, "A", "B" and "C", are engaged in the manufacture and sale of Widgets. Their assets and gross sales are as follows:

Company	Gross Annual Sales	Asset Value
B	120,000,000.00	45,000,000.00

A, B and C would either like to merge into a new entity, "D", or if there are either tax or Hart-Scott-Rodino advantages to doing so, they could all merge into a single [REDACTED] In either event, the owners of A, B and C would each

[REDACTED]

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get stock in a proportion yet to be agreed upon. In any case, each of them would be receiving stock as a result of the deal with a value in excess of \$15 million, and almost certainly each of them would be receiving at least 10% of the stock in the resulting entity.

When I made my original telephone inquiry to the Federal Trade

To my surprise (and my client's consternation), your response was that we would have to do six Hart-Scott-Rodino filings, as follows:

A would file on account of its acquisition of B

- C would file on account of its acquisition of A
- C would file on account of its acquisition of B

That total filing fee of \$270,000 is just too rich for these parties' blood. They have come back to me and said, "you must have heard the man wrong, or you must not have explained it to him properly."

So, my question is, how many Hart-Scott-Rodino filings would be required on account of this proposed transaction?

Very truly yours,