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VERCER NOTIFICATION

96' HI OO E 1E YAM

May 31, 1996

Mr. Victor Cohen

VIA FACELATE

Bureau of Competition, Room 303 Washington, D.C. 20580

Dear Mr. Cohen:

present a reportable acquisition under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 as amended:

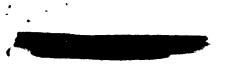
Our client, Company X, was formed in 1995 as a venture capital start-up company. Its last regularly prepared balance sheet shows \$1,000 in gross assets and no sales. It was formed in order to acquire seven separate companies located around the country that are engaged in a service industry. None is controlled by, or under common control with, any of the others. Attached hereto are the gross assets and net revenues of the seven companies on their last regularly prepared balance sheets. The companies are listed as A, B, C, D, E, F, and G.

Company hiphrese to available the section securities of each of the seven companies

or the seven acquired companies. Inis type or transaction is component reterior to as a roll up. ..

Company X plans to start with the acquisition of Company A's voting securities and the reafter acquire the voting securities of Companies B, C, D, E, F, and G, in that order. The acquisition of Company A's voting securities is not reportable because the size-of-the-parties test is not met: Company X has no assets and no sales, and Company A's financial statement reflects assets

Of Company R's voting sequrities nursuant to Section 201 11 of the Federal Trade Commission



Mr. Victor Cohen

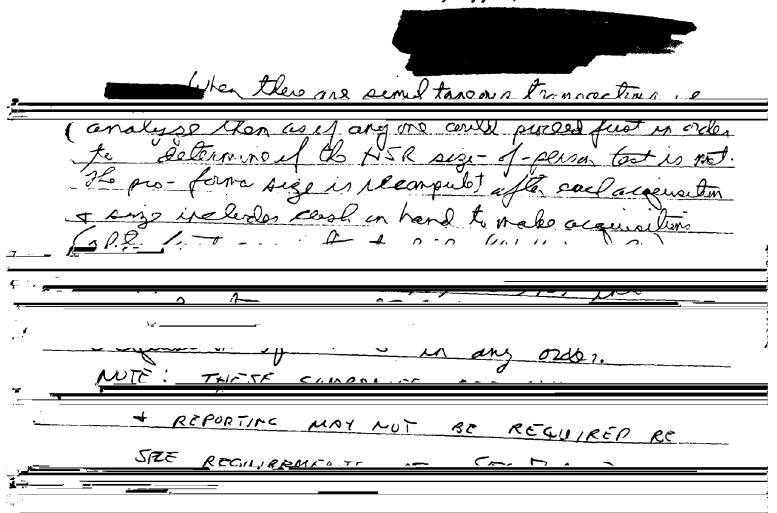
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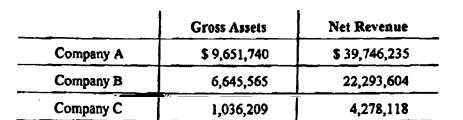
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The same application of the voting securities of Companies C, D, E, and F would not satisfy the size-of-the-parties test. Following its acquisition of F, X's proforma balance sheet would indicate gross assets of \$25.2 million and net revenues of \$97 million. When Company X acquires Company G neither entity would have net sales or gross assets in excess of \$100 million. Therefore the transaction would not meet the size-of-the-parties test and would not be covered under the HSR Act.

J whild appreciate your confirming that the Staff would recommend that no estion be taken based on the above stated facts. We appreciate your attention to this matter.

Very truly yours,





Company G	14,273,526	35,159,389

\$132,164,636

\$39,450,075

Total