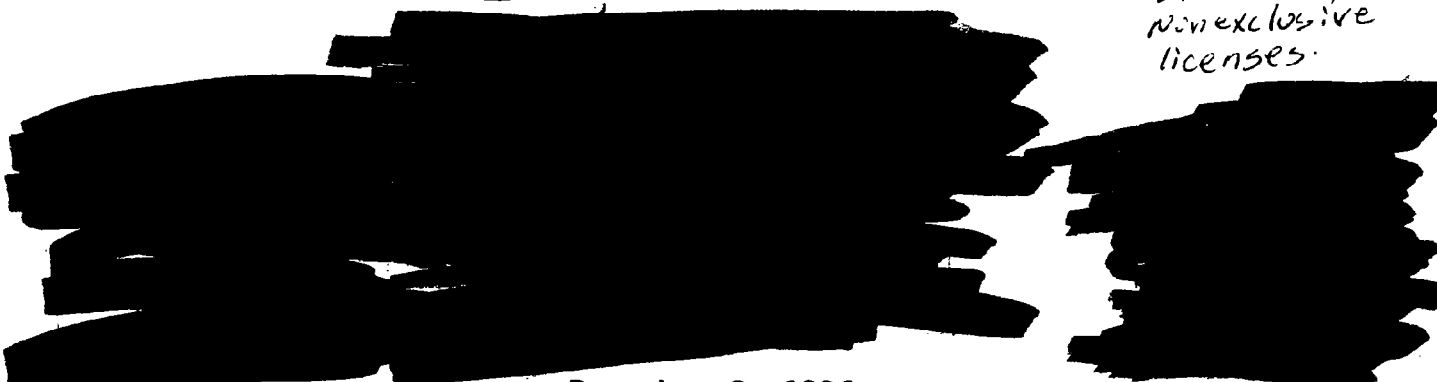


Intellectual property
Exclusive
nonexclusive
licenses.



December 2, 1996

Patrick Sharpe, Esq.
Premier Notification Office

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TAM) of the C
re-use und.

6th & Pennsylvania Avenue, N.W.
Washington, D.C. 20236-20850

Information

Dear Mr. Sharpe:

This letter confirms your agreement with my conclusion
that the transaction described below would not be subject to the

("HSR ACT").

Company A and Company B are equal owners of Partnership
C, having jointly formed C several years ago. Company A, at C's
formation, granted to C an exclusive license to intellectual ^{trademarks}
property relating to certain brands of a consumer product that A
had created, and that license expires according to its terms in
August 1998. Since its formation, C has developed and now owns
certain other brands of the same consumer product. B produces
for C all of the products that C now sells, including products
sold under the brands licensed from A and the products sold under
the brands that C itself has developed and now owns.

now intend to execute an agreement under which B will become the
exclusive sales representative for all of the products that B now

more specifically, the agreement will confer upon B the
right to act as exclusive sales representative for all of those
products for an "initial term" that expires in August 1998 (when
C's existing license from A also expires). B will also receive
from C a nonexclusive sublicense to A's intellectual property and
a nonexclusive license to C's intellectual property for use in
connection with the marketing of the products for which B will
act as sales representative during the initial term. The

Distrib
License

NON-
exclusive
license

agreement will further give to B the option of extending its
rights thereunder for a "perpetual term" (commencing September
1998 and continuing in perpetuity) upon notice of intent to
exercise that option on or before mid-April 1998. Upon that
exercise, and for the perpetual term, B would obtain the right to
continue acting as exclusive sales representative for all



Patrick Sharpe, Esq.
December 2, 1996
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group of products. It would also receive from C a continuing nonexclusive license to C's intellectual property and from A a

connection with the marketing of the products for which B would continue acting as exclusive sales representative during the

The grant to B of exclusive sales rights does not constitute the acquisition by B of "assets" for purpose of the USP Act. Nor does B's receipt of licenses to associated

since these licenses will be nonexclusive (A and C respectively)

My thanks to you for your assistance.

Sincerely,

I concur with this letter. (RS)

(TH) and (RS) agree

11/12/91 and informed ✓