

**Federal Trade Commission**  
Bureau of Competition

**Department of Justice**  
Antitrust Division

## INTRODUCTION

Merger activity remains strong and as a result, the antitrust enforcement agencies concluded another extremely active year receiving 4,642 HSR filings in FY 1999, a number just slightly below the record pace of filings received last year. (See Figure 1 below). While this represents about a two percent decrease from the 4,728 filing transactions reported in 1998, it is 203% percent increase over the 1,529 transactions reported in fiscal year 1991.<sup>1</sup>

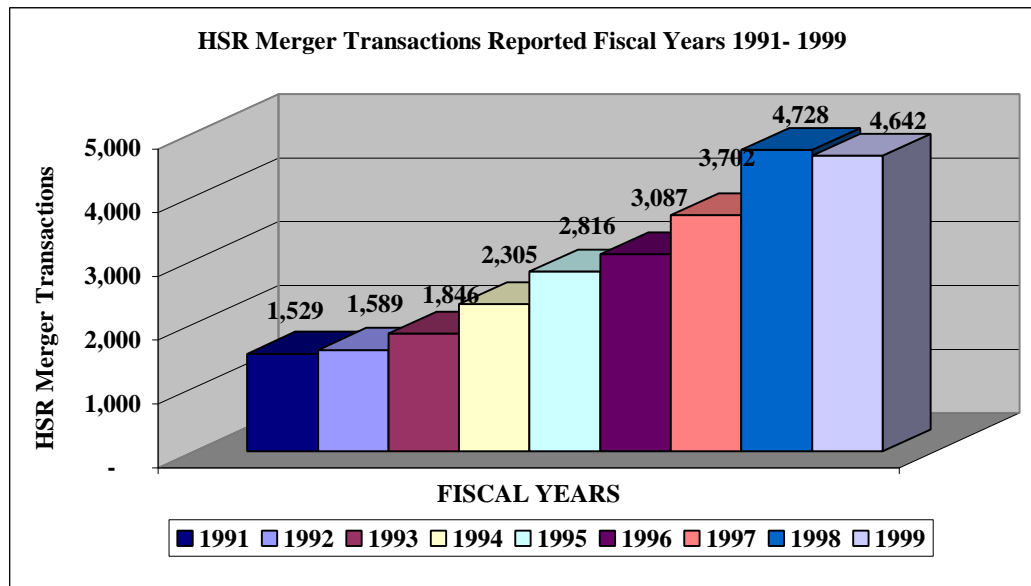


Figure 1

The Hart-Scott-Rodino (“HSR”) Act, together with Section 13(b) of the Federal Trade Commission Act (“FTC”) and Section 15 of the Clayton Act, gives the Federal Trade Commission (the “Commission”) and the Antitrust Division of the Department of Justice (the “Antitrust Division” or “Division”) the opportunity to obtain effective preliminary relief against

30 transactions, leading to 18 consent orders and 12 abandoned transactions. The Antitrust Division challenged 47 transactions – 20 of these challenges were resolved by consent decrees, 26 transactions were either restructured or abandoned after the Antitrust Division sued or informed the parties that it intended to sue, and one challenge is being litigated.

Swift and efficient review of the proposed mergers is possible only if the parties comply

any rule promulgated pursuant thereto, and any recommendations for revisions of this section.

This is the twenty-second annual report to Congress pursuant to this provision. It covers fiscal year 1999 -- October 1, 1998 through September 30, 1999.

In general, the Act requires that certain proposed acquisitions of voting stock or assets must be reported to the Commission and the Antitrust Division prior to consummation. The parties must then wait a specified period, usually 30 days (15 days in the case of a cash tender offer or a bankruptcy sale), before they may complete the transaction. Whether a particular acquisition is subject to these requirements depends upon the value of the acquisition and the size of the parties, as measured by their sales and assets. Small acquisitions, acquisitions involving small parties, and other classes of acquisitions that are less likely to raise antitrust concerns are excluded from the Act's coverage.

The primary purpose of the statutory scheme, as the legislative history makes clear, is to provide the antitrust enforcement agencies with the opportunity to review mergers and acquisitions before they occur. The premerger notification program, with its filing and waiting period requirements, provides the agencies with both the time and the information necessary to conduct this antitrust review. Much of the information for a preliminary antitrust evaluation is included in the notification filed with the agencies by the parties to proposed transactions and thus is immediately available for review during the waiting period.

If either agency determines during the waiting period that further inquiry is necessary, it is authorized by Section 7A(e) of the Clayton Act to request additional information or documentary materials from both of the parties to a reported transaction (a "second request").

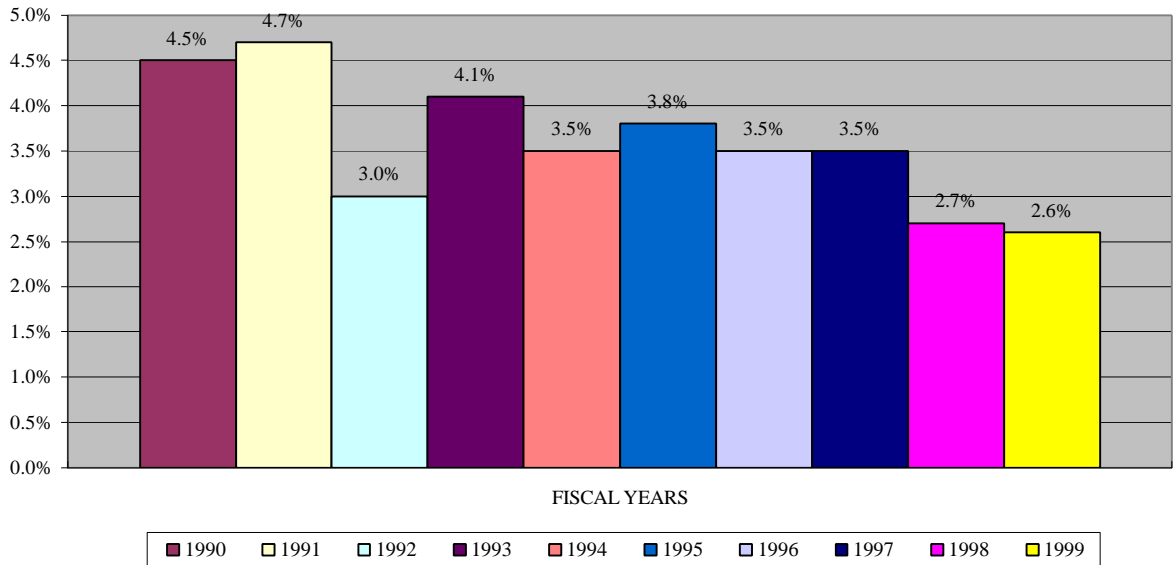
A second request extends the waiting period for a specified period, usually 20 days (10 days in the case of a cash tender offer), after all parties have complied with the request (or, in the case of a tender offer, after the acquiring person complies). This additional time provides the reviewing agency with the opportunity to analyze the information and to take appropriate

the Commission, with the concurrence of the Assistant Attorney General, made several changes in the premerger notification rules. Those amendments became effective on August 29, 1983.<sup>6</sup> Additional amendments were published in the Federal Register on March 6, 1987,<sup>7</sup> May 29, 1987,<sup>8</sup> and March 28, 1996.<sup>9</sup>

### **STATISTICAL PROFILE OF THE PREMERGER NOTIFICATION PROGRAM**

The appendices to this report provide a statistical summary of the operation of the premerger notification program. Appendix A shows, for a ten-year period, the number of transactions reported,<sup>10</sup> the number of filings received, the number of merger investigations in which second requests were issued, and the number of transactions in which requests for early termination of the waiting period were received, granted, and not granted. Appendix A also shows for fiscal years 1990 through 1999 the number of transactions in which second requests could have been issued, as well as the percentage of transactions in which second requests were issued. Appendix B provides a month-by-month comparison of the number of transactions reported (Table 1) and the number of filings received for fiscal years 1990 through 1999.

**PERCENTAGE OF TRANSACTIONS RESULTING IN SECOND REQUEST**



**Figure 2**

The statistics in Appendix A also show that in recent years, early termination was requested for most transactions. In 1999, early termination was requested in 88.5 percent (4,110) of the transactions reported while in 1998 it was requested in 91.4 percent of the transactions reported. The percentage of requests granted out of the total requested increased slightly (from 74.8 percent in 1998 to 75.5 percent in 1999).

Statistical tables (Table I - XI) in Exhibit A contain information about the agencies' enforcement interest in transactions reported in fiscal year 1999. The tables provide, for various statistical breakdowns, the number and percentage of transactions in which clearances to investigate were granted by one antitrust agency to the other and the number of merger investigations in which second requests were issued. The tables in Exhibit A show that, in 1999, clearance was granted to one or the other of the agencies for the purpose of conducting an initial investigation in 9.0 percent of the total number of transactions in which a second request could have been issued. The tables also indicate, for example, that 31.7 percent of all clearances granted involved transactions valued at \$50 million or less.

Tables I - XI also provide the number of transactions based on the dollar value of transactions reported and the reporting threshold indicated in the notification report. The total dollar value of reported transactions has risen during the last six years from less than \$375 billion to over a trillion dollars.

Tables X

Under Section 7A(g)(1) of the Act, any person that fails to comply with the Act's notification and waiting requirements is liable for a civil penalty of up to \$11,000 for each day the violation continues.<sup>12</sup> The antitrust agencies examine the circumstances of each unlawful failure to file to determine whether penalties should be sought. During fiscal year 1999, 35 corrective filings for violations were received and the agencies brought enforcement actions totaling a collection of \$3,285,000.00 in civil penalties.

In *United States v. Blackstone Capital Partners II Merchant Banking Fund L.P., and Howard Andrew Lipson*,<sup>13</sup> the complaint alleged that the Act was violated when the defendants failed to file a key document in a timely manner before making an acquisition of a chain of funeral homes. The New York merchant banking fund failed to submit an internal document that was required to have been provided with its premerger filing and would have informed the agencies that the acquisition was an acquisition between competitors, and, therefore, that the acquisition raised potential antitrust concerns. According to the complaint, Mr. Lipson should have known that his certification of the premerger filing form was not accurate. Under the terms of the final judgment, the merchant banking fund and Lipson agreed to pay \$2.785 million and \$50,000, respectively, in civil penalties to settle the charges. This is the first time HSR penalties have been imposed on a company official for his role in certifying the completeness and accuracy of a premerger filing.

In *United States v. Input/Output, Inc. and Laitram Corp.*,<sup>14</sup> the complaint alleged that the defendants violated the Act by failing to observe the HSR waiting period before combining Input/Output's operations with those of Laitram's subsidiary, DigiCourse. Input/Output manufactures seismic data acquisition systems and related equipment for ocean bottom exploration. DigiCourse manufactures cable positioning systems, such as acoustic transponders, that are integral to the effective operation of ocean seismic data acquisition systems. Under the terms of a final judgment, Input/Output and Laitram agreed to pay \$225,000 each in civil penalties to settle the charges.

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<sup>12</sup> Effective November 20, 1996, dollar amounts specified in civil monetary penalty provisions within the Commission's jurisdiction were adjusted for inflation in accordance with the Debt Collection Improvement Act of 1996, Pub. L. No. 104-134 (April 26, 1996). The adjustments included, in part, an increase from \$10,000 to \$11,000 for each day during which a person is in violation under Section 7A(g)(1), 15 U.S.C. 18a(g)(1). 61 Fed. Reg. 54548 (October 21, 1996), corrected at 61 Fed. Reg. 55840 (October 29, 1996).

<sup>13</sup> *United States v. Blackstone Capital Partners II Merchant Banking Fund L.P., and Howard Andrew Lipson*, C.V. No. 99 0795 (D.D.C. complaint filed March 30, 1999); 1999-1 Trade Cas. (CCH) ¶72,484.

<sup>14</sup> *United States v. Input/Output, Inc. and Laitram Corp.*, C.V. No. 99 0912 (D.D.C. complaint filed April 12, 1999); 1999-1 Trade Cas. (CCH) ¶72,528.



## 2. Formal Interpretations of the Rules

In fiscal year 1999, the Commission's Premerger Notification Office, with the concurrence of the Assistant Attorney General, issued two formal interpretations of the premerger notification rules.

### Limited Liability Companies

Under the HSR rules, certain types of transactions, such as mergers, consolidations and the formation of corporate joint ventures, are treated as acquisitions of voting securities potentially subject to the Act, while other transactions, such as the formation of partnerships, are deemed non-reportable. The Limited Liability Company (LLC) is a relatively new form of business organization that is neither a partnership nor a corporation, but a hybrid legal entity that combines certain desirable features of both partnerships and corporations. LLCs are often formed as start-up businesses but may also be formed to combine competing businesses, which, may be of potential antitrust concern. Under Formal Interpretation 15,<sup>15</sup> the formation of an LLC that combines, under common control, two or more pre-existing businesses will be treated as subject to the requirements of the Act.

### Affidavits and Certification

Section 803.5 of the premerger notification rules requires all acquiring persons in transactions falling under section 801.30 and all parties to non-section 801.30 transactions to submit certain affidavits and certification pages with their premerger notification filings. Section 803.6 of the rules requires a notarized certification of such filings. In the past, the PNO interpreted the rules to require one original affidavit and certification for each copy of the form submitted. Formal Interpretation 16 now makes clear the parties are required to submit only one original and four duplicate copies of affidavits and certification pages, thus reducing the burden on the parties.

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<sup>15</sup> 64 Fed. Reg. 34804 (1999).

## MERGER ENFORCEMENT ACTIVITY DURING FISCAL YEAR 1999<sup>16</sup>

### 1. Department of Justice

The Antitrust Division challenged 47 merger transactions that it concluded could lessen competition if allowed to proceed as proposed during fiscal year 1999. In 21 of these transactions, the Antitrust Division filed a complaint in U.S. District Court. All of these cases have been settled by consent decree, except for one that is in litigation.

In the other 26 challenges during fiscal year 1999, the Antitrust Division informed the parties to a proposed transaction that it would file suit challenging the transaction unless the parties restructured the proposal to avoid competitive problems or abandoned the proposal altogether.<sup>17</sup> In 16 instances, the parties restructured the proposed transactions, and in ten instances, the parties abandoned the proposed transactions.

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<sup>16</sup> All cases in this report were not necessarily reportable under the premerger notification program. Because of provisions regarding the confidentiality of the information obtained pursuant to the Act, it would be inappropriate to identify which cases were initiated under the program.

<sup>17</sup> In 18 instances, the Department of Justice issued press releases: October 2, 1998--Lamar Advertising Company acquisition of Outdoor Communications, Inc. (billboard assets in six counties in Alabama, Mississippi, and Tennessee); October 9, 1998--U.S. Bancorp merger with Northwest Bancshares, Inc. (business banking services, Clark County, Washington); October 13, 1998--Norwest Corporation merger with Wells Fargo & Company (business banking services in Arizona and Nevada); November 30, 1998--City Holding Company's acquisition of Horizon Bancorp Inc. (business banking services in West Virginia); November 30, 1998--Monsanto Company's acquisition of DeKalb Genetics Corporation (biotechnology developments in corn); January 15 and 19, 1999--Formica Corporation acquisition of International Paper Company (high pressure laminate business); January 27, 1999--Media One Group-Erie Ltd. acquisition of two radio stations from Rambaldo Communications, Inc. (Erie, Pennsylvania radio market); April 22, 1999--Clear Channel Communication, Inc. acquisition of Jacor Communications, Inc. (Cleveland and Dayton, Ohio; Louisville, Kentucky; Tampa, Florida radio markets); May 7, 1999--Fox Paine Capital Fund, L.P. acquisition of Century Telephone Enterprises, Inc. (mobile wireless telephone services in Fairbanks, Alaska); May 12, 1999--Chittenden Corporation merger with Vermont Financial Services Corporation (business banking services in Vermont); May 28, 1999--Lamar Advertising Company acquisition of Vivid, Inc. (billboard operations in Wisconsin and Illinois); July 2, 1999--Consolidated Edison Inc. and Orange & Rockland Utilities Inc. merger (electric generating plants); July 16, 1999--Abry Broadcasting Partners acquisition of Bastet Broadcasting Corporation (TV advertising in Wilkes/Barre-Scranton, Pennsylvania); August 17, 1999--Thomas E. and James D. Ingstad acquisition of MSB, Inc. (Fargo, North Dakota radio market); August 26, 1999--AK Steel Corporation acquisition of Armco, Inc. (aluminized stainless steel); September 1, 1999--Marathon Media, L.P. acquisition of five radio stations from Citadel Communications Corporation (Billings, Montana radio market); September 2, 1999--Fleet Financial Group, Inc. merger with Bank Boston Corporation (business banking services in Massachusetts, New Hampshire, Rhode Island and Connecticut); September 15, 1999--Lamar Advertising Company acquisition of Chancellor Media Company (outdoor advertising assets in 31 markets in 13 states).

In addition to the 18 in which it issued press releases, the Department of Justice informed the parties in eight other instances that their proposed acquisitions were likely to have anticompetitive effects: merger between Southeast Missouri Hospital and St. Francis Memorial Hospital (Cape Girardeau, Missouri); Capstar Broadcasting acquisition of WPAW-FM from Radio of Vero, Inc. (Vero Beach, Florida radio market); Capstar Broadcasting acquisition of KTBT-FM from Powell Broadcasting (Baton Rouge, Louisiana radio market); Reilly Industries, Inc. acquisition of Allied Signal, Inc. (binder pitch); General Dynamics acquisition of Newport News Shipyard (shipbuilding); Chancellor Media Corporation acquisition of Petry Media Corporation (TV rep firms); Litton Industries, Inc. acquisition of Newport News Shipyard (shipbuilding); and Capstar Broadcasting acquisition of

In *United States v. Northwest Airlines Corp. and Continental Airlines, Inc.*,<sup>18</sup> the Division challenged Northwest Airlines' acquisition of a controlling stake in Continental Airlines. Northwest and Continental are the fourth and fifth largest U.S. airlines respectively, and compete to provide air transportation services on thousands of routes across the country. The Division claimed that the proposed acquisition would allow Northwest to acquire voting control over Continental, as well as share in Continental's profits, diminishing substantially both Northwest's and Continental's incentives to compete against each other. The complaint alleges that Northwest and Continental are each other's most significant competitors--if not their only competitors--for nonstop airline services between the cities where they operate hubs. According to the complaint, Northwest planned to acquire stock representing 14 percent of Continental's equity but carrying 51 percent of its voting rights. Although a related agreement with Continental required Northwest to place its stock in a "voting trust" for six years, the complaint alleges that the voting trust would not prevent the competitive harm likely to result from the acquisition. Northwest has gone ahead with its acquisition, and litigation is pending in U.S. District Court in Detroit, Michigan. Trial is scheduled to commence October 24, 2000.

In *United States v. Chancellor Media Corp. and Kunz & Co.*,<sup>19</sup> the Division challenged Chancellor Media's \$39.5 million acquisition of Kunz & Co. Chancellor and Kunz were head-to-head competitors in the business of selling outdoor advertising, such as billboard space, to business customers. The complaint alleged the acquisition would substantially lessen competition for outdoor advertising in Kern, Kings, and Inyo Counties, California, and Mojave Country, Arizona, giving Chancellor a virtual monopoly in some areas and more than 60 percent of the market in others. A proposed consent decree was filed simultaneously to settle the suit. The decree required Chancellor to divest outdoor advertising assets valued at more than \$5 million in those four counties. The court entered the consent decree on April 6, 1999.

In *United States, States of New York and Florida and Commonwealth of Pennsylvania v. Waste Management, Inc., Ocho Acquisition Corp., and Eastern Environmental Services, Inc.*,<sup>20</sup> the Division, joined by three states, sued to block the nation's largest waste collection and disposal firm, Waste Management, from acquiring a large regional rival, Eastern Environmental Services. The complaint alleged that the \$1.2 billion merger would reduce competition on a multi-billion dollar contract to dispose of New York City's residential solid

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WPVR-FM and WFIR-AM radio stations from James L. Gibbons (Roanoke-Lynchburg, Virginia radio market).

<sup>18</sup> *United States v. Northwest Airlines Corporation and Continental Airlines, Inc.*, C.V. No. 98-74611 (E.D. MI filed 10/23/98).

<sup>19</sup> *United States v. Chancellor Media Corporation and Kunz Company*, C.V. No. 1:98CV02763 (D.D.C. filed 11/12/98).

<sup>20</sup> *United States and State of New York, State of Florida and Commonwealth of Pennsylvania v. Waste Management, Inc., Ocho Acquisition Corp. and Eastern Environmental Services, Inc.*, C.V. No. C.V. 98-7168 (E.D.N.Y. filed 11/17/98).

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geographic coverage. The settlement required the parties to transfer the Sprint PCS stock to an independent trustee before closing their merger. The trustee will then have approximately five years to complete the sale. The settlement was structured to minimize any risk that the divestiture of Sprint PCS stock would interfere with Sprint's ability to issue new stock or otherwise raise capital in order to continue to construct its wireless network. The court entered the consent decree on August 23, 1999.

In *United States v. Signature Flight Support Corp., AMR Combs, Inc. and AMR Corp.*,<sup>24</sup> the Division challenged Signature's acquisition of AMR Combs, Inc. and simultaneously filed a proposed consent decree settling the suit. The decree required Signature to divest its flight support business at Palm Springs, Bradley International (Hartford, CT) and Denver Centennial Airports. The complaint alleged that Signature and Combs were the only two fixed-base operators and were head-to-head competitors in the business of providing flight support services, such as fueling, ramp and hangar space rentals, at Palm Springs and Bradley International Airports. At Denver Centennial, Signature allegedly had agreed to become the operator of a flight support facility, which upon completion in the year 2000 would have put it in direct competition with Combs. The court entered the consent decree on July 30, 1999.

In *United States v. Central Parking Corp. and Allright Holdings, Inc.*,<sup>25</sup> the Division challenged the \$585 million merger between Central Parking and Allright Holdings, the two largest parking management companies in the nation. A proposed consent decree was filed simultaneously, settling the suit. The decree required the companies to divest or terminate their interest in certain off-street parking facilities in 18 cities in ten states: Cincinnati and Columbus, Ohio; Nashville, Knoxville and Memphis, Tennessee; Dallas, Houston, El Paso and San Antonio, Texas; Baltimore, Maryland; Denver, Colorado; Jacksonville, Tampa and Miami, Florida; San Francisco, California; Kansas City, Missouri; New York, New York; and Philadelphia, Pennsylvania. Without the divestitures required under the decree, Central allegedly would have been given a dominant market share of off-street parking facilities in certain areas of each of these 18 cities, and would have had the ability to control the prices and the type of services offered to motorists. The state attorney general offices of six states assisted in the investigation. The court entered the consent decree on February 14, 2000.

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merger would have resulted in higher prices for milk sold to school districts in South Central Kentucky. The complaint alleged that Suiza and Broughton were head-to-head competitors for school milk contracts in dozens of school districts in South Central Kentucky. In some of those districts, the merger allegedly would have created a monopoly on bids to supply milk, and in other districts, it could have reduced the number of bidders from three to two. The Division noted that the merger was set to occur in an industry that has been plagued by a history of collusion (with the Division having prosecuted more than 100 criminal cases involving bid rigging on school milk contracts) and stated that the Division would be vigilant in preventing anticompetitive mergers that threaten to recreate the harmful effects of the prior bid-rigging conspiracies. A proposed consent decree was filed on April 28, 1999, which required the divestiture of the Southern Belle Dairy, thereby maintaining the current level of competition for school milk bidding in Kentucky that would have been threatened by the merger. The court entered the decree on August 30, 1999.

In *United States v. SBC Communications, Inc. and Ameritech Corp.*,<sup>27</sup> the Division's suit and proposed consent decree resolved antitrust concerns about SBC's \$58 billion acquisition of Ameritech and its \$1.67 billion acquisition of Comcast Cellular Corporation. The acquisition of Ameritech, as originally proposed, allegedly would have led to a loss of head-to-head competition in wireless mobile telephone services in 17 markets in which Ameritech owned one of the cellular systems and SBC or Comcast (which SBC was also acquiring) owned the other. The decree required the divestiture of one of the two cellular telephone systems in each of these 17 markets in Illinois, Indiana and Missouri, including the major metropolitan areas of Chicago and St. Louis. The decree will also help ensure that a purchaser of the divested Ameritech cellular systems in the St. Louis area would have the ability to pursue a local exchange entry strategy in SBC's local service area, such as Ameritech had planned before the merger. The court entered the decree on August 2, 1999.

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In *United States v. Capstar Broadcasting Corp. and Triathlon Broadcasting Co.*,<sup>29</sup> the Division challenged Capstar's \$190 million acquisition of Triathlon. The transaction, as originally structured, allegedly would have allowed Capstar to control more than 45% of the Wichita, Kansas, radio advertising market and would likely have raised prices for advertising the

In *United States v. Bell Atlantic Corp. and GTE Corp.*,<sup>32</sup> the Division challenged Bell Atlantic's merger with GTE and simultaneously filed a proposed consent decree that would settle the suit. The merger, as originally structured, allegedly would have led to a loss of head-to-head competition in wireless mobile telephone services in 65 markets in nine states. In four of the markets, Bell Atlantic had an ownership interest in one cellular system and GTE in the other; in 46 of the markets, GTE had an ownership interest in one of the cellular systems and PrimeCo -- a firm 50 percent owned by Bell Atlantic--owned one of the personal communications services (PCS) wireless businesses; and in 15 markets, GTE was acquiring cellular systems from Ameritech and PrimeCo owned the PCS wireless business. Under the decree, the parties have agreed to sell one of their two interests in each of these overlapping wireless telephone systems. The divestitures include the major metropolitan areas of Chicago, Houston, Tampa and Richmond. This is one of the largest divestiture packages ever required by the Antitrust Division. The court entered a consent decree on April 18, 2000.

In *United States v. Florida Rock Industries, Inc., Harper Bros., Inc., Commercial Testing Inc. and Daniel R. Harper*,<sup>33</sup> the Division challenged Florida Rock Industries' merger with Harper Bros. and Commercial Testing. The complaint alleged that the acquisition, as originally structured, would substantially lessen competition in the aggregate and silica sand markets in Southwest Florida. Aggregate is used to manufacture asphalt concrete and ready mix concrete. Silica sand is used to manufacture specific types of ready mix concrete. A proposed consent decree was filed simultaneously settling the suit. Under the terms of the decree, Florida Rock was required to divest the Alico Road Quarry in Fort Myers, Florida and the Palmdale Sand Mine in Palmdale, Florida. The court entered the consent decree on October 13, 1999, and Florida Rock divested the assets to Rinker Materials on December 3, 1999.

In *United States v. Computer Associates International, Inc. and Platinum Technology International, Inc.*,<sup>34</sup> the Division challenged the acquisition of Platinum Technology International by Computer Associates International. Computer Associates was the world's largest independent vendor of computer software for IBM and IBM-compatible mainframe computers and the dominant competitor in several mainframe systems management software markets for IBM's OS/390 (formerly MVS) and VSE operating systems. Platinum was a major competitor in mainframe systems management products and had been one of the few substantial competitors to Computer Associates in a number of these markets. The complaint

~~in the 11/19/99 final report by the Antitrust Division, Competition 89, alleged to be the 54520/8 and 21/625/9D)6~~



in five mainframe systems management product markets--MVS and OS/390 tape management software, MVS and OS/390 job scheduling and rerun software, VSE job scheduling and rerun software, MVS and OS/390 change management software and VSE automated operations software. A proposed consent decree was filed simultaneously, settling the suit. Under the decree, Computer Associates must sell six Platinum mainframe systems management software products and related assets. The court entered the consent decree on October 12, 1999.

In *United States and The State of Texas v. Aetna, Inc. and The Prudential Insurance Co. of America*,<sup>35</sup> the Division challenged the \$1 billion acquisition of Prudential's health care business by Aetna. The complaint alleged that the proposed transaction would have made Aetna the dominant provider of health maintenance organization (HMO) and HMO-based point-of-service plans in Houston and Dallas, Texas, and would have also resulted in increased prices or reduced quality of those health care plans. The complaint also alleged that Aetna would have had control over a large share of the physicians' businesses, enabling Aetna to depress physicians' reimbursement rates in Houston and Dallas, which would likely have resulted in a reduction in the quantity or quality of physician services provided to patients. A proposed consent decree was filed simultaneously, settling the suit. The decree required Aetna to divest its NYLCare businesses in Houston and Dallas-Fort Worth. The court entered the consent decree on December 7, 1999.

In *United States v. Cargill Incorporated and Continental Grain Co.*,<sup>36</sup> the Division challenged the acquisition of Continental Grain Company's Commodity Marketing Group by Cargill. The transaction, as originally structured, allegedly would have eliminated an important competitor for the purchase of crops from U.S. farmers and others suppliers such as independent elevator operators. Cargill and Continental operated nationwide distribution networks that annually move millions of tons of grain and soybeans to customers throughout the United States and around the world. Competitive harm in this case allegedly flowed from the ability of the combining firms to depress artificially the price paid to suppliers. A proposed consent decree was filed simultaneously, settling the suit. The decree requires Cargill to divest grain and soybean facilities in various states. The court entered a consent decree on June 30, 2000. The U.S. Department of Agriculture, the Commodities Futures Trading Commission, and several state attorneys general assisted in the Division's investigation.

In *United States v. Allied Waste Industries, Inc., and Browning-Ferris Industries, Inc.*,<sup>37</sup> the Division challenged the \$9.4 billion acquisition of Browning-Ferris Industries (BFI)

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<sup>35</sup> *United States and State of Texas v. Aetna Inc. and The Prudential Insurance Company of America*, C.V. No. 3-99CV1398 (N.D. TX filed 6/21/99).

<sup>36</sup> *United States v. Cargill, Incorporated and Continental Grain Company*, C.V. No. 1:99CV01875 (D.D.C. filed 7/8/99).

<sup>37</sup> *United States v. Allied Waste Industries, Inc. and Browning-Ferris Industries, Inc.*, C.V. No. 1:99CV01962 (D.D.C. filed 7/20/99).

by Allied Waste Industries. The complaint alleged that the merger would have substantially lessened competition for waste collection and disposal services in 18 markets. A proposed consent decree that settled the case was filed simultaneously. The decree requires divestiture of waste collection and disposal operations in 13 states, covering 18 metropolitan areas: Akron/Canton, Ohio; Atlanta, Georgia; Boston, Massachusetts; Charlotte, North Carolina;

in which Dresser had a 64 percent interest, and Baroid were the two largest producers of drilling fluids in the United States. The final judgment required Dresser to sell either its interest in M-I or Baroid's drilling fluids subsidiary. To comply with the court's order, Dresser sold its M-I interest to Smith, and Smith agreed to be bound by the final judgment. The contempt petitions alleged, and the court ruled, that despite the clear language of the consent decree prohibiting it, Smith and Schlumberger formed a joint venture. The court found that Smith's actions were in willful violation of the final judgment and that Schlumberger willfully acted in concert with Smith. On December 9, 1999, the court found the defendants in criminal contempt and ordered them to pay \$1.5 million in criminal fines (\$750,000 each). The companies also agreed to pay \$13.1 million to settle the civil contempt case. The civil settlement represented a full disgorgement of the joint venture's profits during the time the companies were in contempt. This marks the first time that a full disgorgement of profits has been obtained by the Department in an antitrust contempt action and is the first criminal antitrust merger contempt case in more than 15 years.

On April 13, 1999, in *United States v. Interstate Bakeries Corporation and Continental Baking Company* (N. D. IL), the Division petitioned the Court to find Interstate Bakeries Corporation (IBC) in civil contempt for violating a 1996 final judgment. Pursuant to that final judgment, settling the Division's challenge of the merger between IBC and Continental Bakeries Company, IBC licensed its Weber's label to Four-S Baking Company for production and sale of Weber's brand bread in the Southern California area. On March 29, 1999, Four-S was purchased by Bimbo Bakeries USA, Inc. The final judgment required IBC to grant "a *perpetual*, royalty-free, *assignable*, *transferable*, exclusive license" to use the Weber's label. Despite the clear language of the court's order, IBC had demanded that Four-S return the formulas and production processes for the baking of Weber's bread. In addition, IBC had threatened to sue Four-S and its new owner if they continued to use the assets that were ordered divested by the court. After the Division petitioned the court to find IBC in contempt, IBC agreed to transfer the know-how in question and the Division withdrew its petition.

Also, during FY 1999, consent decrees were entered in two merger cases previously filed by the *Division*.<sup>40</sup>

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<sup>40</sup> On September 20, 1999, the district court entered the consent decree in *United States and States of Ohio, Arizona, California, Colorado, Florida, Commonwealth of Kentucky, States of Maryland, Michigan, New York, Commonwealth of Pennsylvania, States of Texas, Washington and Wisconsin v. U.S.A. Waste Services, Inc., Dome Merger Subsidiary and Waste Management, Inc.* (N.D. Ohio filed 7/16/98); and on February 22, 1999, the district court entered the consent decree in *United States v. Halliburton Company and Dresser Industries, Inc.* (D.D.C. filed 9/29/98). See the FY 1998 Annual Report for a description of these cases.



134 gasoline stations in eight markets in which the companies' ownership overlaps. Amoco was required to divest its retail gasoline stations in Tallahassee, Florida and Pittsburgh, Pennsylvania. British Petroleum was required to divest its stations in Charleston, and Columbia, South Carolina; Charlotte, North Carolina; Jackson and Memphis, Tennessee; and Savannah, Georgia. The order also required the divestiture of nine petroleum products terminals to an acquirer approved by the Commission.

In *ABB/Elsag Bailey Process Automation N.V.*,<sup>44</sup> the complaint alleged that ABB's proposed \$1.1 billion acquisition of Elsag Bailey Process Automation N.V., would substantially increase concentration in the process gas chromatography market. According to the complaint, the proposed acquisition would combine the two leading firms marketing process gas chromatographs worldwide. By eliminating competition between the top two competitors in this highly concentrated market, the proposed acquisition would allow ABB to unilaterally exercise market power, thereby increasing the likelihood that process gas chromatography customers would be forced to pay higher prices and innovation in the market would decrease. Under the order, ABB was required to divest the Analytical Division of Elsag's Applied Automation, Inc. subsidiary, which is involved in the manufacture and sale of process gas chromatographs and the research and devel

In *Zeneca Group PLC/Astra AB*,<sup>47</sup> the complaint alleged that Zeneca Group PLC's proposed \$30.5 billion acquisition of Astra AB would lessen competition in the U.S. market for long-acting local anesthetics. According to the complaint, the proposed merger was likely

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competition in Arizona, Wyoming, and Utah and could result in higher prices or reduced quality and selection for consumers. According to the complaint, Kroger and Fred Meyer compete against each other in and near Prescott, Sierra Vista, and Yuma, Arizona; Green River and Rock Springs, Wyoming; and Price, Utah. In Cheyenne, Wyoming, the complaint alleges that Kroger is an actual potential competitor against Fred Meyer. Under the order, Kroger and Fred Meyer were required to divest eight supermarkets in the seven communities.

In *Albertson's Inc./American Stores Co.*,<sup>54</sup> the complaint alleged that the proposed acquisition by Albertson's Inc., of American Stores Company would substantially lessen supermarket competition in California, Nevada and New Mexico resulting in higher prices and reduced services for consumers. According to the complaint, Albertson's is the nation's fourth largest supermarket chain and American Stores is the second largest supermarket chain in the US. Under the order, the companies were required to sell 104 Albertson's supermarkets, 40 American Stores' supermarkets, three Albertson's sites, and two American Stores' sites in 57 local markets in the three states.

In *Shaw's Supermarkets, Inc./Star Markets, Inc.*,<sup>55</sup> the complaint alleged that the proposed acquisition by Shaw's Supermarkets, Inc., of Star Markets, Inc., would substantially lessen supermarket competition in the Greater Boston metropolitan area and could result in higher prices or reduced quality and selection for consumers. According to the complaint, Shaw's and Star are direct competitors and compete against each other in and near the areas of Waltham, Quincy-Dorchester, Norwood, Milford, Salem-Lynn, Norwell, Hudson-Stow, and Saugus-Melrose-



could lessen competition and raise the price of lead antiknock compounds. According to the complaint, the market for the manufacture and sale of lead antiknock compounds is highly concentrated, and Octel and Oboadler are two of only three firms in the world that manufacture them. Under the order, Octel was required to enter a long-



## **List of Appendices**

- Appendix A - Summary of Transactions, Fiscal Years 1990 - 1999
- Appendix B - Number of Transactions Reported and Filings Received by Month for Fiscal Years 1990 - 1999.

## **List of Exhibits**

- Exhibit A - -

## **Appendix A**

### **Summary of Transactions**

**Fiscal Years 1990 - 1999**

## Appendix B

**N8 TD -0.02204-6018j 111.1a dn85 0 Tc 0.45  
0.0252 T1.28 TD ( ) Tj-18.72 T1.1 0.1418 T6Appe.76 Ar  
0F1 8 T1.1 0.1416 TD ( 0021 8 T1.1 0.141585F36) Tj -55.67601**

# **Exhibit A**

## **Statistical Tables**

**for**

**Fiscal Year 1999**

**Data Profiling Hart-Scott-Rodino Premerger**

**Notification Filings and Enforcement Interest**

**Appendix A**  
**Summary of Transaction by Fiscal Year**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Transactions Reported	2,262	1,529	1,589	1,846	2,305	2,816	3,087	3,702	4,728	4,642
Filings Received <sup>1</sup>	4,272	2,914	3,030	3,559	4,403	5,439 <sup>2</sup>	6,001	7,199	9,264	9,151
Adjusted Transactions In Which A Second Request Could Have Been Issued <sup>3</sup>	1,955	1,376	1,451	1,745	2,128	2,612	2,864	3,438	4,575	4,340
Investigations in Which Second Requests Were Issued	89	64	44	71	73	101	99	122	125	113
FTC <sup>4</sup>	55	33	26	40	46	58	36	45	46	45
Percent <sup>5</sup>	2.8%	2.4%	1.8%	2.3%	2.2%	2.2%	1.3%	1.3%	1.0%	1.0%
DOJ <sup>3</sup>	34	31	18	31	27	43	63	77	79	68
Percent <sup>4</sup>	1.7%	2.3%	1.2%	1.8%	1.3%	1.6%	2.2%	2.2%	1.7%	1.6%

124 4.56 TD T- 0 TD 0.0051 Tc 0.11) Tj -s T. 0 Tw (1 10.08 farly Term6e TD 0.0091 Tw ( ) Tj -514.32 -16.56 Teh9535arly Term6e TD Oi 3.Tw (1 10.08 T. Tylb08 Tw (1 10.08dFTC) T  
Transact

) T j 2 3 . 7 1 0 T D ( ) T 1 h 2 9 9 1

## Appendix B

**Table 1. Number of Transactions Reported by Months for the Fiscal Years 1990 - 1999**

	<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
October	267	148	140	163	184	273	238	296	424	333
November	371	198	180	184	221	309	273	332	387	359
December	139	121	155	160	222	216	249	267	426	394
		1991	1992							



## Appendix B

**Table 2. Number of Filings Received<sup>1</sup> by Month for Fiscal Years 1990 - 1999**

**TABLE I**

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**FISCAL YEAR 1999<sup>1</sup>**

**TABLE II**

**TABLE III**

**FISCAL YEAR 1999<sup>1</sup>**

**TRANSACTIONS INVOLVING THE GRANTING OF CLEARANCE BY AGENCY**

TRANSACTION RANGE (\$MILLIONS)	CLEARANCE GRANTED AS A PERCENTAGE OF:										
	CLEARANCE GRANTED TO AGENCY			TOTAL NUMBER OF TRANSACTIONS			TOTAL NUMBER OF CLEARANCES PER AGENCY		TOTAL NUMBER OF CLEARANCES GRANTED		
	FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
LESS THAN 15	5	0	5	0.1%	0.0%	0.1%	2.3%	0.0%	1.3%	0.0%	1.3%
15 UP TO 25	21	19	40	0.5%	0.4%	0.9%	9.6%	11.0%	5.4%	4.9%	10.2%
25 UP TO 50	45	34	79	1.0%	0.8%	1.8%	20.6%	19.7%	11.5%	8.7%	20.2%
50 UP TO 100	38	34	72	0.9%	0.8%	1.7%	17.4%	19.7%	9.7%	8.7%	18.4%
100 UP TO 150	19	19	38	0.4%	0.4%	0.9%	8.7%	11.0%	4.9%	4.9%	9.7%
150 UP TO 200	13	11	24	0.3%	0.3%	0.6%	6.0%	6.4%	3.3%	2.8%	6.1%
200 UP TO 300	16	11	27	0.4%	0.3%	0.6%	7.3%	6.4%	4.1%	2.8%	6.9%
300 UP TO 500	15	12	27	0.3%	0.3%	0.6%	6.9%	6.9%	3.8%	3.1%	6.9%
500 UP TO 1000	21	10	31	0.5%	0.2%	0.7%	9.6%	5.8%	5.4%	2.6%	7.9%
1000 AND UP	25	23	48	0.6%	0.5%	1.1%	11.5%	13.3%	6.4%	5.9%	12.3%
<b>ALL CLEARANCES</b>	<b>218</b>	<b>173</b>	<b>391</b>	<b>5.0%</b>	<b>4.0%</b>	<b>9.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>55.8%</b>	<b>44.2%</b>	<b>100.0%</b>



**TABLE V**

**FISCAL YEAR 1999<sup>1</sup>**



**TABLE VII**

**FISCAL YEAR 1999<sup>1</sup>**

**TRANSACTIONS BY SALES OF ACQUIRING PERSON**

SALES RANGE (\$ MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS <sup>3</sup>				
	NUMBER	PERCENT	NUMBER		PERCENTAGE OF SALES RANGE GROUP			NUMBER		PERCENTAGE OF SALES RANGE GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
LESS THAN 15	284	6.5%	0	3	0.0%	1.7%	1.7%	0	0	0.0%	0.0%	0.0%
15 UP TO 25	90	2.1%	1	2	0.5%	1.2%	1.6%	1	0	2.2%	0.0%	0.0%
25 UP TO 50	148	3.4%	1	1	0.5%	0.6%	1.0%	0	0	0.0%	0.0%	0.0%
50 UP TO 100	230	5.3%	7	9	3.2%	5.2%	8.4%	0	2	0.0%	2.9%	0.0%
100 UP TO 150	235	5.4%	5	5	2.3%	2.9%	5.2%	0	2	0.0%	2.9%	0.0%
150 UP TO 200	217	5.0%	9	9	4.1%	5.2%	9.3%	1	1	2.2%	1.5%	0.0%
200 UP TO 300	212	4.9%	15	5	6.9%	2.9%	9.8%	0	3	0.0%	4.4%	0.0%
300 UP TO 500	301	6.9%	16	12	7.3%	6.9%	14.3%	3	4	6.7%	5.9%	0.0%
500 UP TO 1000	455	10.5%	21	8	9.6%	4.6%	14.3%	2	6	4.4%	8.8%	0.0%
1000 AND UP	2,168	50.0%	143	119	65.6%	68.8%	134.4%	38	50	84.4%	73.5%	0.1%
ALL TRANSACTIONS	4,340	100.0%	218	173	5.0%	4.0%	9.0%	45	68	1.0%	1.6%	2.6%



**TABLE VIII**

**FISCAL YEAR 1999<sup>1</sup>  
TRANSACTIONS BY ASSETS OF ACQUIRED ENTITIES<sup>9</sup>**

ASSET RANGE (\$ MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS <sup>3</sup>						
	NUMBER	PERCENT	NUMBER		PERCENTAGE OF ASSET RANGE GROUP			NUMBER		PERCENTAGE OF ASSET RANGE GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
<b>LESS THAN 15</b>	869	20.0%	22	11	2.5%	1.3%	3.8%	4	12	0.5%	1.4%	1.9%
<b>15 UP TO 25</b>	650	15.0%	15	16	2.3%	2.5%	4.8%	0	7	0.0%	1.1%	1.1%
<b>25 UP TO 50</b>	773	17.8%	42	29	5.4%	3.8%	9.2%	2	9	0.3%	1.2%	1.4%
<b>50 UP TO 100</b>	552	12.7%	26	18	4.7%	3.3%	8.0%	6	5	1.1%	0.9%	2.0%
<b>100 UP TO 150</b>	234	5.4%	20	22	8.5%	9.4%	17.9%	3	4	1.3%	1.7%	3.0%
<b>150 UP TO 200</b>	165	3.8%	18	14	10.9%	8.5%	19.4%	0	1	0.0%	0.6%	0.6%
<b>200 UP TO 300</b>	186	4.3%	13	10	7.0%	5.4%	12.4%	5	1	2.7%	0.5%	3.2%
<b>300 UP TO 500</b>	229	5.3%	10	14	4.4%	6.1%	10.5%	2	5	0.9%	2.2%	3.1%
<b>500 UP TO 1000</b>	214	4.9%	12	8	5.6%	3.7%	9.3%	3	2	1.4%	0.9%	2.3%
<b>1000 AND UP</b>	433	10.0%	31	28	7.2%	6.5%	13.6%	20	22	4.6%	5.1%	9.7%

**ASSETS NOT AVAILABLE<sup>10</sup>** 35 0.8% 9 3 25.7% 8.6% 34.321e0%17.2 259.2 0.48 12.72 re f 600.72 259.2 0.48 12.72 re8D 0 Tc 0.0

**TABLE IX**

**FISCAL YEAR 1999<sup>1</sup>  
TRANSACTIONS BY SALES OF ACQUIRED ENTITIES<sup>11</sup>**

SALES RANGE (\$ MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS <sup>3</sup>				
	NUMBER	PERCENT	NUMBER		PERCENTAGE OF SALES RANGE GROUP			NUMBER		PERCENTAGE OF SALES RANGE GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
LESS THAN 15	772	17.8%	35	22	4.5%	2.8%	7.4%	1	21	0.1%	2.7%	2.8%
15 UP TO 25	398	9.2%	12	10	3.0%	2.5%	5.5%	1	3	0.3%	0.8%	1.1%
25 UP TO 50	80	18.6%	33	30	4.1%	3.7%	7.8%	0	6	0.0%	0.7%	0.7%
50 UP TO 100	120	16.6%	32	17	4.4%	2.4%	6.8%	3	4	0.4%	0.6%	1.0%
100 UP TO 150												

**720**

**TABLE X**

<b>FISCAL YEAR 1999<sup>1</sup></b>										
<b>INDUSTRY GROUP OF ACQUIRING PERSONS</b>										
<b>2-DIGIT SIC CODE<sup>13</sup></b>	<b>INDUSTRY DESCRIPTION</b>	<b>NUMBER<sup>4</sup></b>	<b>PERCENT OF TOTAL</b>	<b>CHANGE FROM FY 98<sup>14</sup></b>	<b>CLEARANCE GRANTED TO FTC OR DOJ</b>			<b>SECOND REQUEST INVESTIGATIONS<sup>3</sup></b>		
					<b>FTC</b>	<b>DOJ</b>	<b>TOTAL</b>	<b>FTC</b>	<b>DOJ</b>	<b>TOTAL</b>
<b>01</b>	<b>Agricultural Production - Crops</b>	2	0.0%	-0.1%	0	0	0	0	0	0
<b>02</b>	<b>Agricultural Production - Livestock and Animal Specialties</b>	1	0.0%	-0.1%	0	0	0	0	0	0
<b>07</b>	<b>Agricultural Services</b>	1	0.0%	1.0%	0	0	0	0	0	0
<b>08</b>	<b>Forestry</b>	2	0.0%	NC	0	0	0	0	0	0
<b>10</b>	<b>Metal Mining</b>	7	0.2%	0.1%	0	1	1	0	0	0
<b>12</b>	<b>Coal Mining</b>	4	0.1%	-0.1%	0	0	0	0	0	0
<b>13</b>	<b>Oil and Gas Extraction</b>	37	0.9%	-0.1%	1	2	3	1	2	3
<b>14</b>	<b>Mining and Quarrying of Nonmetallic Minerals, Except Fuels</b>	19	0.4%	1.0%	0	0	0	0	3	3
<b>15</b>	<b>Building Construction – General Contractors and Operative Builders</b>	3	0.1%	NC	0	0	0	0	0	0
<b>16</b>	<b>Heavy Construction Other Than Building Construction - Contractors</b>	17	0.4%	-0.1%	0	3	3	0	0	0
<b>17</b>	<b>Construction - Special Grade Contractors</b>	51	1.2%	NC	0	1	1	0	0	0
<b>20</b>	<b>Food and Kindred Products</b>	141	3.2%	-0.3%	3	11	14	1	2	4
<b>21</b>	<b>Tobacco Products</b>	21	0.5%	-0.1%	1	0	1	0	0	0
<b>22</b>	<b>Textile Mill Products</b>	21	0.5%	-0.3%	1	3	4	0	0	0
<b>23</b>	<b>Apparel and Other Finished Products Made From Fabrics and Similar Materials</b>	16	0.4%	-0.1%	0	0	0	0	0	0



2-DIGIT SIC CODE <sup>13</sup>	INDUSTRY DESCRIPTION	NUMBER <sup>4</sup>
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2-DIGIT SIC CODE <sup>13</sup>	INDUSTRY DESCRIPTION	NUMBER <sup>4</sup>	PERCENT OF TOTAL	CHANGE FROM FY 98 <sup>14</sup>	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS <sup>3</sup>		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL

T C

**TABLE XI**

**FISCAL YEAR 1999<sup>1</sup>**  
**INDUSTRY GROUP OF ACQUIRED ENTITIES**

<b>2-DIGIT SIC CODE<sup>13</sup></b>	<b>INDUSTRY DESCRIPTION</b>
----------------------------------------------	-----------------------------





**2-DIGIT SIC**

2-DIGIT SIC CODE <sup>13</sup>	INDUSTRY DESCRIPTION	NUMBER <sup>4</sup>	PERCENT OF TOTAL	CHANGE FROM FY 98 <sup>14</sup>	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS <sup>3</sup>			NUMBER OF 2-DIGIT INTRA-INDUSTRY TRANSACTIONS <sup>16</sup>
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
44	Water Transportation	17	0.4%	0.1%	2	0	2	0	0	0	15
45	Transportation by Air	19	0.4%	-0.1%	0	4	4	0	2	2	12
46	Pipelines, Except Natural Gas	14	0.3%	0.1%	2	0	2	0	0	0	13
47	Transportation Services	18	0.4%	-0.1%	1	0	1	1	0	1	11
48	Communications	394	9.1%	0.9%	8	18	26	1	11	12	309
49	Electric, Gas and Sanitary Services	160	3.7%	0.8%	6	15	21	3	4	7	128
50	Wholesale Trade - Durable Goods	229	5.3%	1.6%	8	6	14	0	2	2	169
51	Wholesale Trade - Nondurable Goods	139	3.2%	-0.1%	7	4	11	1	1	2	102
52	Building Materials, Hardware, Garden Supply, and Mobile Home Dealers	9	0.2%	-0.3%	0	0	0	2	0	2	7
53	General Merchandise Stores	5	0.1%	-0.4%	0	0	0	0	0	0	4
54	Food Stores	41	0.9%	0.2%	7	0	7	3	0	3	31
55	Automotive Dealers and Gasoline Service Stations	110	2.5%	1.0%	4	0	4	1	0	1	100
56	Apparel and Accessory Stores	10	0.2%	-0.1%	0	0	0	0	0	0	6
57	Home Furniture, Furnishings and Equipment Stores	11	0.3%	NC	0	0	0	0	0	0	8
58	Eating and Drinking Places	38	0.9%	0.2%	1	0	1	0	0	0	29
59	Miscellaneous Retail	69	1.6%	0.4%	3	1	4	1	0	1	42
60	Depository Institutions	31	0.7%	0.2%	0	0	0	0	0	0	21
61	Nondepository Credit Institutions	71	1.6%	NC	0	0	0	0	0	0	45
62	Security and Commodity Brokers, Dealers, Exchanges and Services	44	1.0%	0.1%	0	1	1	1	1	2	29
63	Insurance Carriers	114	2.6%	-0.8%	2	0	2	2	1	3	97
64	Insurance Agents, Brokers and Service	33	0.8%	-0.2%	1	0	1	0	0	0	21
65	Real Estate	21	0.5%	-0.3%	0	0	0	0	0	0	13
67	Holding and Other Investment Offices	43	1.0%	1.0%	3	1	4	0	0	0	18

2-DIGIT SIC CODE <sup>13</sup>	INDUSTRY DESCRIPTION	NUMBER <sup>4</sup>	PERCENT OF TOTAL	CHANGE FROM FY 98 <sup>14</sup>	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS <sup>3</sup>			NUMBER OF 2-DIGIT INTRA-INDUSTRY TRANSACTIONS <sup>16</sup>
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
70	Hotels, Rooming Houses, Camps, and Other Lodging Places	11	0.3%	-0.2%	0	0	0	0	0	0	7
72	Personal Services	13	0.3%	0.1%	1	0	1	0	0	0	5
73	Business Services	515	11.9%	2.4%	11	17	28	0	11	11	42
75	Automotive Repair, 8 0.72 11 and 8										

**71819**

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<sup>1</sup> Fiscal 1999 figures include transactions reported between October 1, 1998 and September 30, 1999.

<sup>2</sup> The size of transaction is based on the aggregate total amount of voting securities and assets to be held by the acquiring person as a result of transaction and is taken from the response TO Item 3(c) of the notification and report form.

<sup>3</sup> Based on the date of the second request was issued.

<sup>4</sup> During fiscal year 1999, 4642 transactions were reported under the Hart-Scott-Rodino premerger notification program. The smaller number of 4340 reflects adjustments to eliminate the following types of transactions: (1) transactions reported under Section (c)(6) and Section (c)(8), (transactions involving certain regulated industries and financial businesses); (2) transactions found to be non-reportable; (3) incomplete transactions (only one party in each transaction filed a compliant notification); and (4) transactions withdrawn before the waiting period began. The table does not, however, exclude competing offers or multipleeliminate the following types