FEDERAL TRADE COMMISSION
BUREAU OF COMPETITION

DEPARTMENT OF JUSTICE
ANTITRUST DIVISION

ANNUAL REPORT TO CONGRESS
FISCAL YEAR 2003

Pursuant to Subsection (j) of Section 7A of the Clayton Act
Hart-Scott-Rodino Antitrust Improvements Act of 1976
(Twenty-Sixth Report)

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INTRODUCTION

The Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act" or the "Act"), together with Section 13(b) of the Federal Trade Commission Act 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 anticompetitive mergers and to prevent interim harm to competition and consumers. The premerger notification program was instrumental in detecting transactions that were the subject of the numerous enforcement actions brought in fiscal year 2003 to protect consumers -- individuals, businesses, and government -- against anticompetitive mergers.

While the number of reportable transactions under the HSR Act slightly declined from last fiscal year (*see* Figure 1 below), the Commission and the Antitrust Division had a productive year in monitoring and identifying those mergers and acquisitions that raised potentially significant competitive concerns. In fiscal year 2003, 1,014 transactions were reported under the HSR Act, representing about a 15 percent decrease from the number of transactions reported in fiscal year 2002, and about a 79 percent decrease from the 4,926 transactions reported in fiscal year 2000, the last full fiscal year under the previous reporting thresholds.[1]

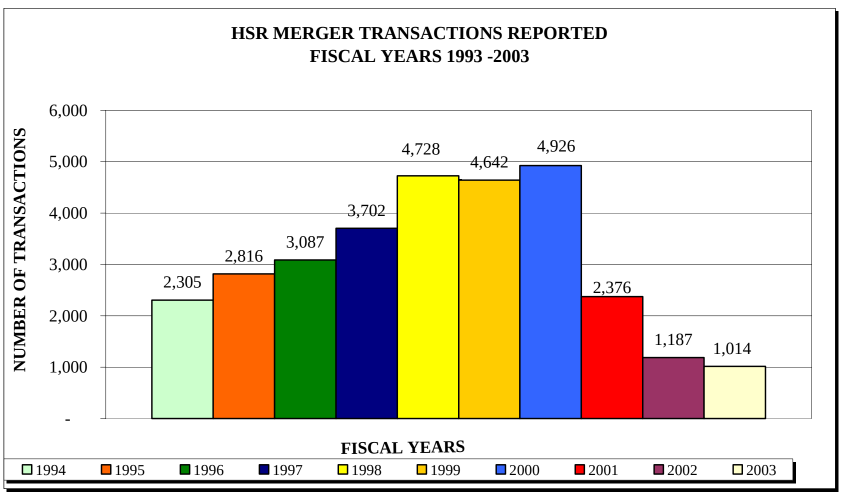

Figure 1

[1] The decrease in the number of reportable transactions since fiscal year 2000 is, to a considerable extent, a result of the significant statutory changes to the HSR Act that took effect on February 1, 2001. The legislation raised the size-of-transaction threshold from $15 million to $50 million and made other changes to the filing and waiting period requirements. Section 630 of the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, FY 2001, Pub. L. No. 106-553, 114 Stat. 2762. *See also* Appendix A.

During the year, the Commission challenged twenty-one transactions, leading to seven consent orders, one administrative complaint, and ten abandoned transactions. The Commission also authorized staff to seek injunctive relief in three matters, one of which was filed in district court. Most notably, the Commission challenged the proposed merger of Pfizer Inc., the largest pharmaceutical company in the United States and largest animal health pharmaceutical company in the world, and Pharmacia Corporation.[2] The proposed merger would have eliminated direct competition and increased prices for consumers in the market for certain human and animal prescription drugs and over-the-counter medications. The Commission also challenged the proposed merger of Quest Diagnostics, Inc. and Unilab Corporation,[3] which would have led to higher prices for clinical laboratory services in Northern California.

The Antitrust Division challenged fifteen merger transactions, leading to five consent decrees, six abandoned transactions, and three other transactions that were restructured after the Division informed the parties of its antitrust concerns relating to the transaction. One challenge is pending in district court. The Division's notable merger challenges included Echostar Communications' proposed acquisition of Hughes Electronics Corporation, which would have eliminated competition between the nation's two most significant direct broadcast satellite services.[4] The merger as proposed would have created a monopoly in rural areas where cable television is not available and reduced competitive choices for consumers. In addition, the Division's litigation efforts succeeded in obtaining an injunction blocking a merger between labelstock producers, UPM-Kymmene Oyj's Raflatac subsidiary and Bemis Company's MACtac subsidiary, that would have facilitated coordination between the merged company and other labelstock producers.[5]

In fiscal year 2003, the Commission's Premerger Notification Office ("PNO") continued to respond to thousands of telephone calls seeking information concerning the reportability of transactions under the HSR Act and the details involved in completing and filing the Notification and Report Form ("the filing form"). The HSR website, www.ftc.gov/bc/hsr/hsr.htm, continued to provide improved access to information necessary to the notification process. The website includes such information as the premerger notification filing form and instructions, the premerger notification statute and rules, grants of early termination, filing fee instructions, HSR events, training materials for new HSR practitioners, tips for completing the filing form, procedures for submitting post-consummation filings, frequently asked questions regarding the HSR filing requirements, and other useful information. The website is the paramount source of information for HSR practitioners seeking information on changes to the Act and amendments to the premerger rules. The website also includes a database of informal interpretation letters, which provide PNO staff interpretations of the premerger notification rules and the Act. As always, PNO

[2] *See infra* p. 16.

[3] *See infra* p. 16

[4] *See* infra p. 9

[5] *See infra* p. 9

staff continues their efforts to assist HSR practitioners and readily provides them with needed information.

BACKGROUND OF THE HSR ACT

Section 201 of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, Pub. L. No. 94-435, amended the Clayton Act by adding a new Section 7A, 15 U.S.C. §18a. Subsection (j) of Section 7A provides:

> Beginning not later than January 1, 1978, the Federal Trade Commission, with the concurrence of the Assistant Attorney General, shall annually report to the Congress on the operation of this section. Such report shall include an assessment of the effects of this section, of the effects, purpose, and need for any rules promulgated pursuant thereto, and any recommendations for revisions of this section.

This is the twenty-sixth annual report to Congress pursuant to this provision. It covers fiscal year 2003 -- October 1, 2002 through September 30, 2003.

In general, the Act requires that certain proposed acquisitions of voting securities 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, in certain acquisitions, 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 the proposed transactions and is immediately available for review during the waiting period.

If either agency determines during the waiting period that further inquiry is necessary, however, it is authorized by Section 7A(e) of the Clayton Act to issue a request for additional information and documentary material (a "second request"). The second request extends the waiting period for a specified period after all parties have complied with the request (or, in the case of a tender offer or a bankruptcy sale, after the acquiring person complies). This additional time provides the reviewing agency with the opportunity to analyze the information and to take appropriate action before the transaction is consummated. If the reviewing agency believes that a proposed transaction may substantially lessen competition, it may seek an injunction in federal district court to prohibit consummation of the transaction.

The Commission, with the concurrence of the Assistant Attorney General, promulgated final rules implementing the premerger notification program on July 31, 1978. At that time, a comprehensive Statement of Basis and Purpose was also published, containing a section-by-section analysis of the rules and an item-by-item analysis of the filing form. The program became effective on September 5, 1978. The Commission, with the concurrence of the Assistant Attorney General, has amended the rules and the filing form on several occasions over the years to improve the program's effectiveness and to lessen the burden of complying with the rules.[6]

A 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[7] reported, 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 1994 through 2003 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 and the number of filings received for fiscal years 1994 through 2003.

The statistics set out in these appendices show that the number of transactions reported in fiscal year 2003 decreased approximately 15 percent from the number of transactions reported in fiscal year 2002. In fiscal year 2003, 1,014 transactions were reported, while 1,187 were reported in fiscal year 2002. Along with this decrease in the number of transactions reported, the statistics in Appendix A show that the number of merger investigations in which second requests were issued in fiscal year 2003 decreased approximately 29 percent from the number of merger investigations in which second requests were issued in fiscal year 2002. Second requests were issued in 35 merger investigations in fiscal year 2003, while second requests were issued in 49 merger investigations in fiscal year 2002. The percentage of transactions resulting in second requests in fiscal year 2003 declined slightly from last fiscal year. (*See* Figure 2 below.)

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[6] 43 Fed. Reg. 3443 (August 4, 1978); 43 Fed. Reg. 36053 (August 15, 1978); 44 Fed. Reg. (November 21, 1979); 45 Fed. Reg. 14205 (March 5, 1980); 48 Fed. Reg. 34427 (July 29, 1983); 50 Fed. Reg. 46633 (November 12, 1985); 51 Fed. Reg. 10368 (March 26, 1986); 52 Fed. Reg. 7066 (March 6, 1987); 52 Fed. Reg. 20058 (May 29, 1987); 54 Fed. Reg. 214251 (May 18, 1989); 55 Fed. Reg. 31371 (August 2, 1990); 60 Fed. Reg. 40704 (August 9, 1995); 61 Fed. Reg. 13666 (March 28, 1996); 63 Fed. Reg. 34592 (June 25, 1998); 66 Fed. Reg. 8680 (February 1, 2001); 66 Fed. Reg. 8723 (February 1, 2001); 66 Fed. Reg. 16241 (March 23, 2001); 66 Fed. Reg. 23561 (May 9, 2001); 66 Fed. Reg. 35541 (July 6, 2001); 67 Fed. Reg. 11898 (March 18, 2002); 67 Fed. Reg. 11904 (March 18, 2002); 68 Fed. Reg. 2425 (January 17, 2003).

[7] The term "transaction," as used in Appendices A and B, and Exhibit A to this report, does not refer only to separate mergers or acquisitions. A particular merger, joint venture or acquisition may be structured such that it involves more than one transaction. For example, cash tender offers, options to acquire voting securities from the issuer, or options to acquire voting securities from someone other than the issuer, may result in multiple acquiring or acquired persons that necessitate separate HSR transaction numbers to track the filing parties and waiting periods.

PERCENTAGE OF TRANSACTIONS RESULTING IN SECOND REQUEST

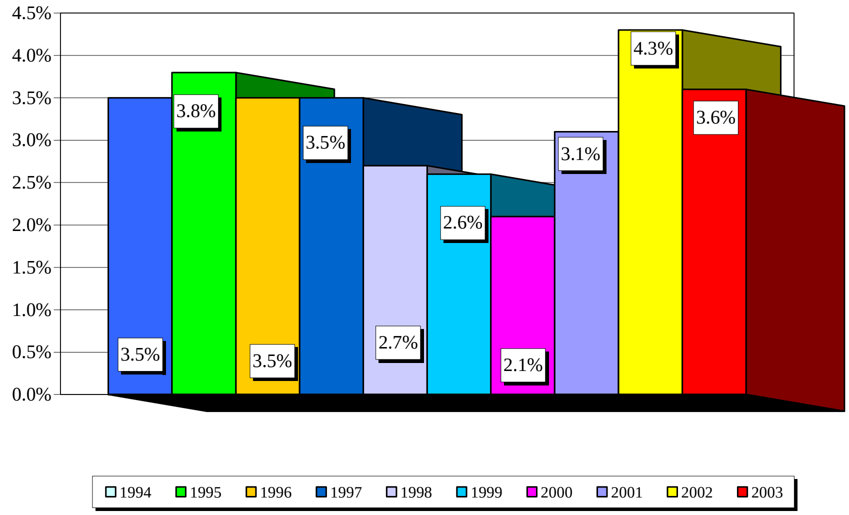

Figure 2

The statistics in Appendix A also show that in recent years, early termination was requested in the majority of transactions. In fiscal year 2003, early termination was requested in 69 percent (700) of the transactions reported while in fiscal year 2002 it was requested in 87.8 percent (1,042) of the transactions reported. The percentage of requests granted out of the total requested increased to 86.6 percent in fiscal year 2003 from 76.1 percent in fiscal year 2002.

Statistical tables (Tables I through XI) in Exhibit A contain information about the agencies' enforcement activities for transactions reported in fiscal year 2003. 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. Table III of Exhibit A shows that, in fiscal year 2003, clearance was granted to one or the other of the agencies for the purpose of conducting an initial investigation in 23.9 percent of the total number of transactions in which a second request could have been issued.

The tables 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 rose dramatically from fiscal years 1994 to 2000 from about $372 billion to about $3 trillion before declining to about $1 trillion in fiscal year 2001 and $565.4 billion in fiscal year 2002. During fiscal year 2003, the dollar value of reported transactions fell to about $406.8 billion.

Tables X and XI provide the number of transactions in each industry group in which the acquiring person or the acquired entity derived revenue. Figure 3 illustrates the percentage of reportable transactions within industry groups for fiscal year 2003 based on the acquired entity's operations.

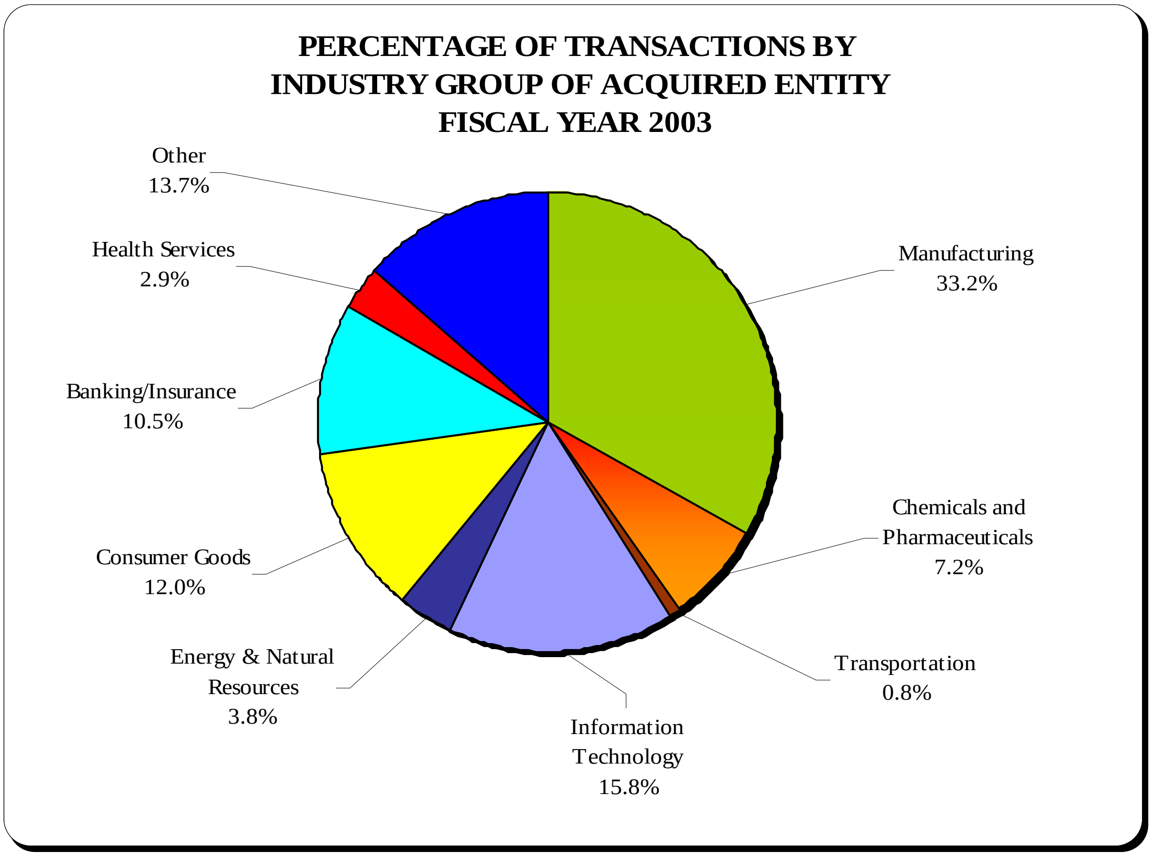

Figure 3

DEVELOPMENTS WITHIN THE PREMERGER PROGRAM

1. *Compliance*

The Commission and the Antitrust Division continued to monitor compliance with the premerger notification program's filing and waiting period requirements and initiated a number of compliance investigations in fiscal year 2003. The agencies monitor compliance through a variety of methods, including the review of newspapers and industry publications for announcements of transactions that may not have been reported in accordance with the requirements of the Act. In addition, industry sources, such as competitors, customers and suppliers, and interested members of the public, often provide the agencies with information about transactions and possible violations of the Act's requirements.

Under Section 7A(g) (1) of the Act, any person that fails to comply with the Act's notification and waiting period requirements is liable for a civil penalty of up to $11,000 for each day the violation continues.[8] The antitrust agencies examine the circumstances of each violation to determine whether penalties should be sought.[9]

The Antitrust Division brought two cases alleging violations of the HSR Act during fiscal year 2003. In *United States v. Gemstar-TV Guide International, Inc. et al.,*[10] the complaint alleged that Gemstar and TV Guide violated the Act's waiting period requirements and Section 1 of the Sherman Act prior to their merger in July 2000. According to the complaint, during the HSR waiting period, Gemstar and TV Guide secretly agreed to allocate markets and customers between them, agreed on the prices and terms that customers would be offered for interactive program guides ("IPGs"), and began jointly conducting their IPG business. IPGs allow cable and satellite television viewers to use their remote control to view program schedule information and select programs for viewing. A consent decree was filed simultaneously with the complaint and was entered by the court on July 11, 2003. The total civil penalties of $5.67 million required under the decree, reflecting the maximum civil penalties of $11,000 per day per company, are the highest penalties to date in an HSR Act enforcement case. The decree also enjoined Gemstar-TV Guide from engaging in similar conduct in the future and gave customers that signed contracts with TV Guide during the premerger period a chance to rescind those contracts.

In *United States v. Smithfield Foods, Inc.,*[11] the complaint sought civil penalties for Smithfield's alleged failure to comply with premerger notification requirements before making certain acquisitions of stock of its pork packing competitor, IBP, Inc. According to the complaint, Smithfield's acquisitions did not come within the HSR Act's exemption for acquisitions that are "solely for the purpose of investment", because Smithfield was also considering and taking steps toward a Smithfield-IBP combination at that time. The case remains pending in district court.

[8] 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). 61 Fed. Reg. 54548 (October 21, 1996), corrected at 61 Fed. Reg. 55840 (October 29, 1996).

[9] When the parties inadvertently fail to file, the enforcement agencies generally do not seek penalties where the parties promptly make corrective filings after discovering the failure to file, submit an acceptable explanation of their failure to file, and have not previously violated the Act. During fiscal year 2003, eleven corrective filings for violations of the Act were received.

[10] United States v. Gemstar-TV Guide International, Inc. and TV Guide, Inc., No. 1:03CV00198 (D.D.C. filed February 6, 2003).

[11] United States v. Smithfield Foods, Inc., No. 1:03CV00434 (D.D.C. filed February 28, 2003).

2. *Final Rules*

On February 1, 2001, the Commissioned published Interim[12] and Proposed Rules[13] amending the HSR Rules. These amendments were discussed in detail in the fiscal year 2001 Annual Report.[14] The Interim Rules took effect upon publication and implemented amendments to Section 7A of the Clayton Act enacted on December 21, 2000. The Proposed Rules set forth other changes improving and updating the HSR Rules and were revised and made final effective April 17, 2002.[15] Of the Interim Rules, Interim Rule 802.21 was revised and made final in a separate rulemaking effective retroactively to February 2, 2002.[16]

The remainder of the Interim Rules became final in fiscal year 2003. In finalizing these Interim Rules, the Commission, with the concurrence of the Assistant Attorney General, promulgated amendments to the Interim Rules and additional revisions to the filing form that became effective January 17, 2003.[17] These highly technical amendments and revisions were made in order to address public comments and were intended to increase the clarity and improve the effectiveness of the Rules and filing form.

MERGER ENFORCEMENT ACTIVITY[18]

1. *The Department of Justice*

During fiscal year 2003, the Antitrust Division challenged fifteen merger transactions that it concluded may have substantially lessened competition if allowed to proceed as proposed. In nine of these challenges, the Antitrust Division filed a complaint in U.S. district court. Three of these nine transactions were abandoned: one after the complaint was filed; one after the Division succeeded in obtaining a preliminary injunction; and one after the assets in question were sold to another buyer pursuant to a bankruptcy court order. One of these cases is pending in district court, and five cases were settled by consent decree. In the six other challenges during fiscal year 2003, the Antitrust Division informed the parties to a proposed transaction that it likely would file suit challenging the transaction unless the

[12] 66 Fed. Reg. 8680 (February 1, 2001).

[13] 66 Fed. Reg. 8723 (February 1, 2001).

[14] See the Annual Report to Congress, Fiscal Year 2001 for a detailed discussion of the substantive changes.

[15] 67 Fed. Reg 11898 (March 18, 2002).

[16] 67 Fed. Reg. 11904 (March 18, 2002).

[17] 68 Fed. Reg. 2425 (January 17, 2003).

[18] 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.

parties restructured the proposal to avoid competitive problems or abandoned the proposal altogether.[19] In three of these six proposed transactions, the parties restructured the transactions; in the other three, the parties abandoned the proposed transaction entirely.

In *United States et al. v. Echostar Communications et al.*,[20] the Division, along with twenty-three states and the District of Columbia and Puerto Rico, sued to prevent Echostar from acquiring Hughes Electronics Corporation in a cash-and-stock transaction originally valued at $26 billion. The complaint alleged that the merger would have eliminated competition between the nation's two most significant direct broadcast satellite services, Hughes' DirecTV and Echostar's DISH Network. The merger would have created a monopoly in those areas where cable television is not available, primarily rural areas, and would have reduced competitive choices from three to two for tens of millions of households. The Division gave serious consideration to the efficiencies and new services that the parties claimed would result from the merger, but concluded that the parties could not demonstrate that any efficiencies likely to result from the merger were sufficient to outweigh the substantial adverse impact of the transaction on competition and consumers. On December 10, 2002, the parties abandoned the merger.

In *United States v. UPM-Kymmene Oyj et al.*,[21] the Division challenged the proposed merger between UPM-Kymmene's Raflatac subsidiary and Bemis Company's MACtac subsidiary. Raflatac and MACtac are the second and third largest producers of pressure-sensitive labelstock in North America. Labelstock is the base material for labels used in a variety of applications, including supermarket scale labels and shipping labels. The complaint alleged that the acquisition would facilitate coordination between the merged company and other North American producers of bulk paper labelstock and lessen competition in the production of bulk paper labelstock, which would result in higher prices. After an evidentiary

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[19] In two instances, the Department of Justice issued press releases: April 22, 2003 – ICAP plc's acquisition of BrokerTec LLC (interdealer brokerage services); May 8, 2003 – BB&T's acquisition of First Virginia Banks Inc. – Virginia banks (business banking services).

In the remaining four challenges, the Division informed the parties of its antitrust concerns but did not issue a press release: Veeco Instruments Inc.'s proposed acquisition of FEI Company (semiconductor and data storage components); Onex Corporation's proposed acquisition of Silver Cinemas Acquisition Company (Landmark Theatres) from OCM Opportunities Fund II (motion picture theaters); acquisition of The Aerostructures Corporation by Carlyle Partners III, through its subsidiary Vought Aircraft Industries, Inc. (aerostructures); Allied Waste Industries, Inc.'s proposed acquisition of WCA Partners, LP (nonhazardous waste collection and disposal).

[20] United States and the State of Missouri, State of Arkansas, State of California, State of Connecticut, State of Hawaii, State of Idaho, State of Illinois, State of Iowa, Commonwealth of Kentucky, State of Maine, Commonwealth of Massachusetts, State of Mississippi, State of Montana, State of Nevada, State of New York, State of North Carolina, State of North Dakota, State of Oregon, Commonwealth of Pennsylvania, State of Texas, State of Vermont, State of Washington, State of Wisconsin, District of Columbia, and Commonwealth of Puerto Rico v. Echostar Communications, Hughes Electronics Corp., General Motors Corp., and DirecTV Enterprises, Inc., No. 1:02CV02138 (D.D.C. filed Oct. 31, 2002).

[21] United States v. UPM-Kymmene Oyj, Raflatac, Inc., Bemis Company, Inc., and Morgan Adhesives Company, No. 03C 2528 (N.D. Ill. filed Apr. 15, 2003).

hearing, the district court granted a preliminary injunction against the transaction on July 25, 2003, and the parties abandoned the transaction shortly thereafter.

In *United States v. SGL Carbon AG et al.*,[22] the Division sued to block SGL Carbon AG, a German company, and its United States subsidiary, SGL Carbon LLC, from acquiring certain assets of Carbide/Graphite Group in a bankruptcy court auction. The complaint alleged that the acquisition would have facilitated coordination among the only three remaining producers of large graphite electrodes for sale in the United States, and would have reduced competition in the production of large graphite electrodes. Graphite electrodes are a critical input into electric arc furnace steel production, in which scrap metal is melted and refined into steel. At the auction, the bankruptcy court determined that SGL Carbon's bid was not the highest and best offer and awarded the assets to an alternative bidder that intended to maintain Carbide/Graphite Group's graphite electrode business as an independent competitor. After the alternative bidder closed on its purchase of the assets, the Division filed a voluntary notice of dismissal of its lawsuit on May 8, 2003.

In *United States et al. v. Dairy Farmers of America, Inc. et al.*,[23] the Division and the Commonwealth of Kentucky sued Dairy Farmers of America, Inc. (DFA) and Southern Belle Dairy to compel DFA to divest its interest in Southern Belle, which DFA had acquired in a 2002 acquisition, the value of which did not meet the threshold that would have triggered Hart-Scott-Rodino filing requirements. Prior to the 2002 acquisition, DFA competed head-to-head against Southern Belle to supply milk to school districts in the eastern two-thirds of Kentucky and Tennessee. The complaint alleged that DFA's acquisition created a monopoly for bidding for school milk in 47 school districts and reduced the number of independent bidders to two in 54 districts in Kentucky and Tennessee. The suit is currently pending in U.S. District Court in the Eastern District of Kentucky. Trial is scheduled to begin September 21, 2004.

In *United States v. Northrop Grumman Corporation et al.*,[24] the Division challenged Northrop Grumman's proposed $7.8 billion acquisition of TRW Inc., alleging that the acquisition, as originally proposed, would have resulted in a vertical combination that would have lessened competition in the development and sale of reconnaissance satellite systems used by the U.S. military. Northrop was one of two companies that designed, developed, and produced payloads, which are key components used in the satellites; TRW was one of only a few companies able to serve as a prime contractor in the reconnaissance satellite programs. Had the merger occurred as proposed, Northrop would have been able to serve as both the prime contractor and the payload provider for reconnaissance satellites. The vertical integration created by this merger would have given Northrop the ability and incentive to lessen competition by favoring its in-house payload to the detriment or foreclosure of its

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[22] United States v. SGL Carbon AG and SGL Carbon LLC, No. 03-521 (W.D. Pa. filed Apr. 15**,** 2003).

[23] United States and Commonwealth of Kentucky v. Dairy Farmers of America, Inc. and Southern Belle Dairy Co., LLC, No. 6:03-206 (E.D. Ky. filed April 24, 2003).

[24] United States v. Northrop Grumman Corp. and TRW Inc., No. 1:02CV02432 (D.D.C. filed Dec. 11, 2002).

payload competitors and by refusing to sell, or selling at disadvantageous terms, its payload to competing prime contractors. The Division filed a proposed consent decree simultaneously with the complaint, settling the suit. Under the terms of the decree, Northrop was required to act in a nondiscriminatory manner when choosing payload providers for satellite programs and supplying its payload to contractors competing with Northrop for satellite programs. Northrop also must maintain its payload business separate from its satellite prime contractor business and work with a Compliance Officer, chosen by the Secretary of Defense, who will monitor Northrop's compliance with the decree. The Division worked closely with the Department of Defense throughout the investigation and in fashioning relief. The Court entered the consent decree on June 10, 2003.

In *United States v. Univision Communications, Inc. et al.*,[25] the Division challenged Univision's $3 billion acquisition of Hispanic Broadcasting Corporation (HBC). Univision owned thirty percent of the stock of, and had significant governance rights in, Entravision Communications Corporation, which is HBC's principal competitor in Spanish-language radio in many geographic areas. Accordingly, the complaint alleged that the acquisition, as originally proposed, would have reduced competition in the sale of advertising time on many Spanish-language radio stations. The Division filed a proposed consent decree simultaneously with the complaint, settling the suit. Under the terms of the decree, Univision was required to divest a significant portion of its stake in Entravision and to relinquish certain governance rights, including its right to two seats on Entravision's Board of Directors. The Court entered the consent decree on December 22, 2003.

In *United States et al. v. Waste Management, Inc. et al.*,[26] the Division required Waste Management and Allied Waste Industries to divest specific waste hauling and disposal assets, and to agree to contract modifications, in order to proceed with their proposed transaction. According to the complaint, the transaction, as originally structured, would have lessened commercial waste hauling or disposal service competition in seven metropolitan areas: Pitkin County, Colorado; Garfield County, Colorado; Augusta, Georgia; Myrtle Beach, South Carolina; Morris County, New Jersey; Bergen and Passaic Counties, New Jersey; and Tulsa and Muskogee, Oklahoma. The Division filed a proposed consent decree simultaneously with the complaint, settling the suit. Under the terms of the decree, Waste Management is required to divest waste collection operations in some areas and waste disposal operation in others, and to abandon its purchase of certain Allied assets in Oklahoma. In addition, the decree requires Waste Management to alter its existing and future contracts in some areas, making it easier for customers to switch to competing waste haulers. The Court entered the consent decree on December 16, 2003.

In *United States v. General Electric Co. et al.*,[27] the Division challenged General Electric's (GE) proposed acquisition of Instrumentarium, a major worldwide provider of

[25] United States v. Univision Communications, Inc. and Hispanic Broadcasting Corp., No.1:03CV00758 (D.D.C. filed Mar. 26, 2003).

[26] United States and the State of New Jersey v. Waste Management, Inc. and Allied Waste Industries, Inc., No. 1:03CV01409 (D.D.C. filed June 27, 2003).

[27] United States v. General Electric Co. and Instrumentarium OYJ, No. 1:03CV01923 (D.D.C. filed

medical equipment products and services. The complaint alleged that the transaction, as originally proposed, would have lessened competition in the markets for monitors used for patients requiring critical care and mobile C-arms, which are full-size, fluoroscopic x-ray machines that provide continuous, real-time viewing of patients during basic surgical and vascular procedures. GE and Instrumentarium were two of only a few competitors that provided healthcare providers with these devices; they competed head-to-head on price, product features and service. The Division filed a proposed consent decree simultaneously with the complaint, requiring divestiture of Instrumentarium's Spacelabs patient monitor business and its Ziehm C-arm business. The Court entered the consent decree on February 23, 2004.

In *United States v. Alcan, Inc. et al.*,[28] the Division challenged Alcan's proposed $4.6 billion cash tender acquisition of Pechiney. The complaint alleged that the acquisition, as originally proposed, would have lessened competition in the development, production, and sale of brazing sheet, an aluminum alloy used in fabricating the major components of heat exchangers for motor vehicles, including oil coolers, heaters, air conditioning units, and radiators. Alcan was a recent entrant into the brazing sheet market in North America, and its entry had sparked an intense competitive rivalry, resulting in lower prices and higher quality. The complaint alleged that Alcan's acquisition of Pechiney would reduce the number of North American manufacturers of brazing sheet from four to three and increase the prospect of future cooperative brazing sheet price increases, to the detriment of consumers. The Division filed a consent decree simultaneously with the complaint, requiring the divestiture of certain aluminum rolling assets. The decree is pending with the Court. The Division cooperated closely with the European Commission and the Canadian Competition Bureau in its review of the transaction.

During fiscal year 2003, the Division investigated two bank merger transactions for which divestiture was required prior to or concurrently with the acquisition and one other in which conditions were imposed. A "not significantly adverse" letter conditioned upon a letter agreement between the parties and the Division was sent to the appropriate bank regulatory agency in all instances.[29]

Sept. 16, 2003).

[28] United States v. Alcan, Inc., Alcan Aluminum Corp., Pechiney, S.A. and Pechiney Rolled Products, LLC, No. 1:03CV02012 (D.D.C. filed Sept. 29, 2003).

[29] The three letters were: February 28, 2003 letter to the Comptroller of the Currency regarding the application of South Texas National Bank of Laredo, Tex., to acquire the Eagle Pass branch of Sterling Bank, Houston, Tex.; May 7, 2003 letter to the Board of Governors of the Federal Reserve System regarding the application by BB&T Corporation, Winston-Salem, N.C., to acquire First Virginia Banks Inc., Falls Church, Va.; September 23, 2003 letter to the Comptroller of the Currency regarding the application by Wells Fargo & Company, San Francisco, Cal., to acquire Pacific Northwest Bancorp, Seattle, Wash..

2. *The Federal Trade Commission*

The Commission challenged twenty-one transactions that it concluded would have lessened competition if allowed to proceed as proposed during fiscal year 2003,[30] leading to seven consent orders, one administrative complaint, and ten abandonments. In three of the twenty-one matters the Commission authorized staff to seek injunctive relief; of these, in one case the parties abandoned the transaction after the Commission filed a complaint seeking a preliminary injunction in district court, in one case a consent order was negotiated prior to the Commission's filing of the motion for a preliminary injunction, and in one case the matter was closed after the Commission authorized staff to seek a temporary restraining order.

In *Nestlé Holdings, Inc./Dreyer's Grand Ice Cream Holdings, Inc., Dreyer's Grand Ice Cream, Inc.*,[31] the Commission authorized staff to file for a preliminary injunction to block the $2.8 billion merger of Nestlé and Dreyer's. According to the complaint, the proposed acquisition would have substantially lessened competition in the market for the sale of super premium ice cream to retail channels in the United States. Nestlé marketed super premium ice cream under the Häagen-Dazs brand. Dreyer's super premium ice cream brands included Dreamery, Godiva, and Starbucks. Dreyer's also manufactured, distributed and sold the Edy's brand of premium ice cream and the Whole Fruit line of sorbet. The purchase of Dreyer's by Nestlé would have given Nestlé a market share of about 60 percent and eliminated Dreyer's as an important competitive constraint, resulting in higher prices for consumers. Prior to the Commission's filing of a complaint seeking the preliminary injunction, a proposed consent agreement was negotiated to remedy the alleged anticompetitive effects of the merger. Among other things, the proposed consent agreement required the parties to divest the super premium ice cream brands Dreamery and Godiva, the Whole Fruit sorbet brand, and Nestlé's distribution assets to CoolBrands International, Inc.

In *Hicks, Muse, Tate & Furst Equity Fund V, L.P., Pinnacle Foods Corporation/ Philip Morris Companies, Inc., Kraft Foods North America, Inc.*,[32] the Commission filed for a preliminary injunction alleging that Hicks Muse's acquisition of Claussen would have substantially lessened competition in the marketing and sale of refrigerated pickles in the United States. According to the complaint, the acquisition would have combined the dominant firm in the market for refrigerated pickles with its most significant competitor in refrigerated pickles and the largest national brand of shelf-stable pickles. Hicks Muse,

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[30] To avoid double counting this report includes only those merger enforcement actions in which the Commission took its first public action during fiscal year 2003. In Nestle Holdings, Inc./Dreyer's Grand Ice Cream Holdings, Inc., Dreyer's Grand Ice Cream, Inc., a consent order was issued subsequent to the Commission's authorizing staff to file for a preliminary injunction.

[31] Nestlé Holdings, Inc./Dreyer's Grand Ice Cream Holdings, Inc., Dreyer's Grand Ice Cream, Inc., Docket No. C-4082 (issued November 6, 2003).

[32] Federal Trade Commission v. Hicks, Muse, Tate & Furst Equity Fund V, L.P., Pinnacle Foods Corporation, Philip Morris Companies, Inc., Kraft Foods North America, Inc., Civ. Action No. 1:02-cv-02070-RWR (D.D.C. filed Oct. 23, 2002). A notice of voluntary dismissal was filed on October 31, 2002.

through Pinnacle Foods, operated the Vlasic business, which was the nation's largest pickle producer. Claussen, which produced and sold primarily refrigerated pickles, was operated by Kraft's Oscar Mayer Foods, a division of Philip Morris. Claussen was the dominant producer of refrigerated pickles and Vlasic served as the primary price constraint. Together, the companies would have had a monopoly share of the refrigerated pickle market in the United States. If allowed to proceed as proposed, the acquisition would have led to increased prices or a reduction in competitive vigor in the relevant market. Subsequent to the Commission's filing of the motion for a preliminary injunction, the parties abandoned the transaction.

In *The Kroger Company/Raley's Corporation*,[33] the Commission authorized staff to seek a temporary restraining order to block Kroger's acquisition of eighteen supermarkets from Raley's in the Las Vegas, Nevada area. After the temporary restraining order was authorized, the parties agreed to defer consummation while staff continued to investigate the potential effects of the acquisition. Subsequently, the investigation was closed after staff concluded that the acquisition would not be likely to result in anticompetitive effects based on a decrease in concentration in the LasVegas/Henderson, Nevada market, the small combined share and competitive significance of the combination, and rapid growth in the market.

The Commission issued an administrative complaint in *Aspen Technology, Inc.*,[34] alleging that Aspen Technology's 2002 acquisition of Hyprotech, Ltd. substantially lessened competition in the worldwide market for the provision of process engineering simulation software for industry. According to the complaint, before the acquisition both companies were involved in the development, licensing, and support of continuous and batch process engineering simulation software for use by industry. Competition between the two companies was direct and vigorous and helped to hold down prices and promote product innovation in the relevant market. Aspen Technology's BatchPlus software suite included the leading batch simulator, and Hyprotech's BaSYS suite was second in the market. The companies also developed integrated engineering software that gathered information generated from process engineering software and allowed users to store, update, and retrieve data depending on their needs. Aspen Technology's Zyqad was the leading integrated engineering software product for these uses, and Hyprotech's AXSYS was in development and ready for release to committed buyers. The complaint also alleges that the acquisition dramatically increased concentration and led to reduced innovation competition. The Aspen Technology/Hyprotech firm, as the dominant player, held about 82 percent of the process simulation software market, and SimSci, a weak number two player, held the remaining share of sales. The Commission announced a consent order requiring Aspen Technology to divest the overlapping assets it obtained from its acquisition of Hyprotech. The consent order settles the charges and resolves the administrative court action.

In fiscal year 2003, the Commission accepted consent agreements for public comment in seven merger cases. Six of the consent agreements became final in fiscal year 2003; one

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[33] The Kroger Company/Raley's Corporation, FTC File No. 0210235 (investigation closed November 13, 2002).

[34] Aspen Technology, Inc., Docket No. 9310 (issued August 6, 2003).

became final in fiscal year 2004.[35]

In *Wal-Mart Stores, Inc./Supermercados Amigo, Inc*.,[36] the complaint alleged that Wal-Mart's acquisition of Supermercados Amigo would have substantially lessened competition in the retail sale of food and grocery products in full-service supermarkets, supercenters, and club stores in certain geographic markets in Puerto Rico. According to the complaint, Supermercados Amigo was the largest supermarket chain in Puerto Rico, and Wal-Mart operated nine traditional Wal-Mart Stores, one Wal-Mart Supercenter and eight SAM's Clubs in Puerto Rico. The proposed merger would have eliminated the direct competition between the supercenters and club stores owned by Wal-Mart and the supermarkets owned by Supermercados Amigo, thereby increasing the likelihood of increased prices for food, groceries, and services provided by these stores. To remedy the anticompetitive effects of the proposed transaction, Wal-Mart was required to divest four Supermercados Amigo supermarkets in Cidra, Ponce, Manati, and Vega Baja, Puerto Rico to Supermercados Maximo.

In *Baxter International Inc./Wyeth*,[37] the complaint alleged that Baxter's acquisition of Wyeth's human generic injectable pharmaceutical business, operated by Wyeth's ESI Lederle division, would have substantially lessened competition in the market for the manufacture and sale of the following products in the United States: neuromuscular blocking agents pancuronium and vecuronium; metoclopramide, an antiemetic agent; propofol, a general anesthetic; and new injectable iron replacement therapies ("NIIRTs"). According to the complaint, Baxter, through exclusive agreements with GensiaSicor, marketed pancuronium, vecuronium, and metoclopramide products. Post-acquisition, Baxter would have accounted for about 74 percent of the U.S. sales of pancuronium. The companies were also the two leading suppliers of vecuronium. Wyeth and Baxter, together, represented over half of the sales of metoclopramide, used in the treatment of nausea and vomiting for patients undergoing certain types of chemotherapy and for post-operative treatment. Baxter was one of only two marketers of propofol, and Wyeth was seeking approval from the Food and Drug Administration for its own propofol product. Additionally, Baxter and Watson Pharmaceuticals, Inc. jointly marketed one of only two NIIRT products approved for use in the United States, and ESI appeared to be the best-positioned firm to enter this market. The proposed acquisition would have reduced the number of competitors in these highly concentrated markets and increased the likelihood that customers would have been forced to pay higher prices for the products. The consent order required Baxter to divest all of Wyeth's assets related to propofol to a Commission-approved buyer, end Baxter's co-marketing agreement with Watson Pharmaceuticals, Inc. to market NIIRTs, terminate Baxter's rights and interests in GensiaSicor's pancuronium, vecuronium, and metoclopramide products, and divest all of its pancuronium, vecuronium, and metoclopramide assets to GensiaSicor.

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[35] The consent agreement in Nestlé Holdings, Inc./Dreyer's Grand Ice Cream Holdings, Inc., Dreyer's Grand Ice Cream, Inc., discussed earlier in this report, became final on November 6, 2003.

[36] Wal-Mart Stores, Inc./Supermercados, Inc., Docket No. C-4066 (issued February 27, 2003).

[37] Baxter International Inc./Wyeth, Docket No. C-4068 (issued February 3, 2003).

In *Dainippon Ink and Chemicals, Incorporated*,[38] the complaint alleged that Dainippon's acquisition, through its Sun Chemical Corporation subsidiary, of Bayer Corporation's high performance organic pigment business would have substantially lessened competition in the market for the research, development, manufacture, and sale of perylenes, a class of high performance organic pigments used to impart unique shades of red to a number of products, including coatings, plastics, and fibers. Perylenes are often used in automotive coatings to help prevent colors from fading and ensure that coatings endure prolonged exposure to sunlight and weather. According to the complaint, Dainippon and Bayer were two of only four viable suppliers of perylenes in the world. The proposed acquisition would have eliminated the vigorous head-to-head competition between Sun Chemical and Bayer, likely resulting in higher perylenes prices and reduced innovation and service within the market. To remedy the anticompetitive effects of the proposed merger, the consent order required Dainippon to divest its Sun Chemical perylene business to Ciba Specialty Chemicals, a diversified specialty chemicals company that was a leading supplier for pigments but did not manufacture or sell perylenes.

In *Quest Diagnostics Incorporated/Unilab Corporation*,[39] the complaint alleged that the proposed merger of Quest and Unilab would have substantially lessened competition in the market for the sale of clinical laboratory testing services to physician groups in Northern California. According to the complaint, the merger would have combined the two leading laboratory testing firms in Northern California and increased the possibility that the combined company would have unilaterally raised prices. The threat of price increases would have been greatest to independent physician associations and other physicians groups that depended on the unique rivalry between Quest and Unilab to minimize health costs. As a result of the proposed merger, the combined firm's market share would have exceeded 70 percent. The consent order required the parties to divest certain clinical laboratory testing assets in Northern California to Laboratory Corporation of America, a provider of laboratory services throughout the United States, with a limited presence in Northern California.

In *Pfizer Inc./Pharmacia Corporation*,[40] the complaint alleged that the proposed merger of Pfizer and Pharmacia would have substantially lessened competition in the market for the research, development and sale of the following products in the United States: extended release prescription drugs for the treatment of overactive bladder ("OAB"); prescription combination hormone replacement therapies ("HRT"); prescription drugs for the treatment of erectile dysfunction ("ED"); prescription drugs for the treatment of canine arthritis; prescription drugs for the treatment of dry cow mastitis; prescription drugs for the treatment of lactating cow mastitis; over-the-counter hydrocortisone creams and ointments; over-the-counter motion sickness medication; and over-the-counter cough drops. According to the complaint, Pfizer and Pharmacia were significant competitors in each of the relevant product markets. Pfizer dominated the market for prescription canine arthritis drugs and the

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[38] Dainippon Ink and Chemicals, Incorporated, Docket No. C-4073 (issued March 13, 2003).

[39] Quest Diagnostics Incorporated/Unilab Corporation, Docket No. C-4074 (issued April 3, 2003).

[40] Pfizer Inc./Pharmacia Corporation, Docket No. C-4075 (issued May 27, 2003).

ED market, with its well-known product, Viagra. The parties were also the two leading U.S. suppliers of branded over-the-counter hydrocortisone creams and ointments. Additionally, the markets for the research, development, manufacture and sale of extended release prescription drugs for OAB, combination HRT products, dry cow and lactating cow mastitis drugs, over-the-counter motion sickness medication, and over-the-counter cough drops were highly concentrated. The loss of Pharmacia as an independent competitor would have likely resulted in higher prices for consumers. To remedy the anticompetitive effects of the proposed merger, the parties were required to divest assets in each of the relevant product markets to Commission-approved buyers.

In *Southern Union Company/CMS Energy Corporation*,[41] the complaint alleged that Southern Union's proposed acquisition of Panhandle Eastern Pipeline Company from CMS Energy would have substantially lessened competition in the market for the transportation of natural gas by pipeline to the Kansas City area. According to the complaint, the only pipelines that transported gas to most of the relevant geographic area were the Panhandle and Central pipelines. The Central pipeline was owned by American International Group. Southern Union had an agreement, through its Energy Worx, Inc. subsidiary, with American International Group to manage the Central pipeline. While two other smaller pipelines served the western portion of the market, they could not act as a pricing constraint on the two larger pipelines due to capacity and distance limitations. As a result, the Central and Panhandle pipelines were the only viable alternatives in most parts of the geographic area for customers who needed natural gas. Absent relief, the proposed transaction would have likely led to higher prices for the transportation of natural gas to the Kansas City area by eliminating direct competition between the Panhandle and Central pipelines and by placing the two pipelines under common ownership. The order required Southern Union to terminate its agreement, through Energy Worx, to manage the Central pipeline and precluded Southern Union and CMS from transferring any interest in Panhandle to American International Group.

ONGOING REASSESSMENT OF THE EFFECTS OF THE PREMERGER NOTIFICATION PROGRAM

The Commission and the Antitrust Division continually review the impact of the premerger notification program on the business community and antitrust enforcement. As indicated in past annual reports, the HSR program ensures that virtually all significant mergers or acquisitions that affect consumers in the United States will be reviewed by the antitrust agencies prior to consummation. The agencies generally have the opportunity to challenge unlawful transactions before they occur, thus avoiding the problem of constructing effective post-acquisition relief. As a result, the HSR Act is doing what Congress intended, giving the government the opportunity to investigate and challenge mergers that are likely to harm consumers *before* injury can arise. Prior to the premerger notification program, businesses could, and frequently did, consummate transactions that raised significant antitrust concerns before the antitrust agencies had the opportunity to adequately consider their competitive effects. The enforcement agencies were forced to pursue lengthy post-acquisition litigation, during the course of which harm from the consummated transaction continued (and

[41] Southern Union Company/CMS Energy Corporation, Docket No. C-4087 (issued July 16, 2003).

afterwards as well, where achievement of effective post-acquisition relief was not practicable). Because the premerger notification program requires reporting before consummation, this problem has been significantly reduced.

Always cognizant of the program's impact and effectiveness, the enforcement agencies continue to seek ways to speed up the review process and reduce burdens for companies. As in past years, the agencies will continue their ongoing assessment of the HSR program in order to increase accessibility, promote transparency and reduce burden on the filing parties without compromising the agencies' ability to investigate and interdict proposed transactions that may substantially lessen competition.

LIST OF APPENDICES

LIST OF EXHIBITS

APPENDIX A

SUMMARY OF TRANSACTIONS

FISCAL YEARS 1994 - 2003

Appendix A

Summary of Transaction by Year

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Transactions Reported	**2,305**	**2,816**	**3,087**	**3,702**	**4,728**	**4,642**	**4,926**	**2,376**	**1,187**	**1,014**
Filings Received[1]	**4,403**	**5,439**	**6,001**	**7,199**	**9,264**	**9,151**	**9,941**	**4,800**	**2,369**	2001
Adjusted Transactions In Which A Second Request Could Have Been Issued[2]	2,128	2,612	2,864	3,438	4,575	4,340	4,749	2,237	1,142	968
Investigations in Which Second Requests Were Issued	**73**	**101**	**99**	**122**	**125**	**113**	**98**	**70**	**49**	**35**
FTC[3]	46	58	36	45	46	45	43	27	27	15
Percent[4]	2.2%	2.2%	1.3%	1.3%	1.0%	1.0%	0.9%	1.2%	2.4%	1.5%
DOJ[3]	27	43	63	77	79	68	55	43	22	20
Percent[4]	1.3%	1.6%	2.2%	2.2%	1.7%	1.6%	1.2%	1.9%	1.9%	2.1%
Transactions Involving a Request For Early Termination[5]	**2,081**	**2,471**	**2,861**	**3,363**	**4,323**	**4,110**	**4,324**	**2,063**	**1,042**	**700**
Granted[5]	1,508	1,869	2,044	2,513	3,234	3,103	3,515	1,603	793	606
Not Granted[5]	573	602	817	850	1,089	1,007	809	460	249	94

[1] Usually, two filings are received, one from the acquiring person and one from the acquired person when a transaction is reported. Only one application is received when an acquiring party files for an exemption under section 7A (c)(6) or (c)(8) of the Clayton Act.

[2] These figures omit from the total number of transactions reported all transactions for which the agencies were not authorized to request additional information. These include (1) incomplete transactions (only one party filed a complete notification); (2) transactions reported pursuant to the exemption provisions of sections 7A (c) (6) and 7A(c)(8) of the Act; and (3) transactions which were found to be non-reportable. In addition, where a party filed more than one notification in the same year to acquire voting securities of the same corporation, e.g., filing for one threshold and later for a higher threshold, only a single consolidated transaction has been counted because as a practical matter the agencies do not issue more than one Second Request in such a case. These statistics also omit from the total number of transactions reported secondary acquisitions filed pursuant to 801.4 of the Premerger Notification rules. Secondary acquisitions have been deducted in order to be consistent with statistics presented in most prior annual reports.

[3] These statistics are based on the date the request was issued and not the date the investigation was opened.

[4] Second Requests investigations are a percentage of the total number of adjusted transactions.

[5] These statistics are based on the date of the H-S-R filing and not the date action was taken on request.

APPENDIX B

NUMBER OF TRANSACTIONS REPORTED

AND

FILINGS RECEIVED BY MONTH

FOR

FISCAL YEARS 1994- 2003

Appendix B

Table 1. Number of Transactions Reported by Months for the Fiscal Years 1994 - 2003

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
October	184	273	238	296	424	333	376	360	89	77
November	221	309	273	332	387	359	428	451	105	104
December	222	216	249	267	426	394	468	345	95	78
January	156	180	238	263	306	282	335	245	111	93
February	149	170	231	250	336	330	440	66	87	71
March	167	229	277	315	392	427	455	120	109	74
April	167	177	252	302	384	364	343	94	99	92
May	220	281	304	328	401	438	398	153	111	83
June	182	252	253	319	442	445	494	190	88	80
July	208	225	265	389	435	444	351	94	121	86
August	226	237	264	318	427	434	446	163	97	85
September	203	267	243	323	368	392	392	95	75	91
TOTAL	**2,305**	**2,816**	**3,087**	**3,702**	**4,728**	**4,642**	**4,926**	**2,376**	**1,187**	**1,014**

Appendix B

Table 2. Number of Filings Received[1] by Month for Fiscal Years 1994 - 2003

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
October	332	505	450	561	818	662	777	751	190	148
November	428	614	520	636	749	686	839	920	211	206
December	427	419	474	521	836	785	922	686	183	150
January	293	360	445	514	614	548	677	499	224	179
February	295	326	480	483	650	658	867	144	174	146
March	326	432	528	614	766	828	959	243	230	144
April	321	350	498	599	763	719	695	188	203	182
May	421	534	584	640	787	851	859	296	212	168
June	362	496	502	620	862	884	1,004	378	170	158
July	380	439	515	759	851	887	718	182	230	170
August	431	455	515	617	844	885	886	332	191	164
September	387	509	490	635	724	758	738	181	151	186
TOTAL	4,403	5,439	6,001	7,199	9,264	9,151	9,941	4,800	2,369	2,001

[1] Usually, two filings are received, one from the acquiring person and one from the acquired person when the transaction is reported. Only one filing is received when an acquiring person files for a transaction that is exempt under Sections 7(A)(c)(6) and (c)(8) of the Clayton Act
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EXHIBIT A

STATISTICAL TABLES

FOR

FISCAL YEAR 2003

DATA PROFILING HART-SCOTT-RODINO PREMERGER

NOTIFICATION FILINGS AND ENFORCEMENT INTEREST

TABLE I
FISCAL YEAR 2003[1]
ACQUISITIONS BY SIZE OF TRANSACTION (BY SIZE RANGE)[2]

TRANSACTION RANGE ($MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS[3]				
	NUMBER[4]	PERCENT	NUMBER		PERCENT OF TRANSACTION RANGE GROUP			NUMBER		PERCENT OF TRANSACTION RANGE GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
Below 50M	0	0.0%	0	0	0.0%	0.0%	0.0%	0	0	0.0%	0.0%	0.0%
50M - 100M	359	37.1%	40	22	11.1%	6.1%	17.2%	1	4	0.3%	1.1%	1.4%
100M - 150M	183	18.9%	35	8	19.1%	4.4%	23.5%	3	1	1.6%	0.5%	2.1%
150M - 200M	89	9.2%	15	11	16.9%	12.4%	29.3%	3	3	3.4%	3.4%	6.8%
200M - 300M	115	11.9%	21	11	18.3%	9.6%	27.9%	1	0	0.9%	0.0%	0.9%
300M - 500M	99	10.2%	21	6	21.2%	6.1%	27.3%	3	1	3.0%	1.0%	4.0%
500M - 1000M	49	5.1%	6	6	12.2%	12.2%	24.4%	2	4	4.1%	8.2%	12.3%
Over 1000M	74	7.6%	10	19	13.5%	25.7%	39.2%	2	7	2.7%	9.5%	12.2%
ALL TRANSACTIONS	968	100.0%	148	83	15.3%	8.6%	23.9%	15	20	1.5%	2.1%	3.6%

TABLE II
FISCAL YEAR 2003[1]
ACQUISITIONS BY SIZE OF TRANSACTION[2] (CUMULATIVE)

TRANSACTION RANGE ($MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS[3]				
	NUMBER[4]	PERCENT	NUMBER		PERCENTAGE OF TOTAL NUMBER OF CLEARANCES GRANTED			NUMBER		PERCENT		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
LESS THAN 50	0	0.0%	0	0	0.0%	0.0%	0.0%	0	0	0.0%	0.0%	0.0%
LESS THAN 100	359	37.1%	40	22	17.3%	9.5%	26.8%	1	4	2.9%	11.4%	14.3%
LESS THAN 150	542	56.0%	75	30	32.5%	13.0%	45.5%	4	5	11.4%	14.3%	25.7%
LESS THAN 200	631	65.2%	90	41	39.0%	17.7%	56.7%	7	8	20.0%	22.9%	42.9%
LESS THAN 300	746	77.1%	111	52	48.1%	22.5%	70.6%	8	8	22.9%	22.9%	45.8%
LESS THAN 500	845	87.3%	132	58	57.1%	25.1%	82.2%	11	9	31.4%	25.7%	57.1%
LESS THAN 1000	894	92.4%	138	64	59.7%	27.7%	87.4%	13	13	37.1%	37.1%	74.2%
ALL TRANSACTIONS	968		148	83	64.1%	35.9%	100.0%	15	20	42.9%	57.1%	100.0%

TABLE III
FISCAL YEAR 2003[1]
TRANSACTIONS INVOLVING THE GRANTING OF CLEARANCE BY AGENCY

TRANSACTION RANGE ($ MILLIONS)	CLEARANCE GRANTED TO AGENCY			CLEARANCE GRANTED AS A PERCENTAGE OF							
				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
50M - 100M	40	22	62	4.1%	2.3%	6.4%	27.0%	26.5%	17.3%	9.5%	26.8%
100M - 150M	35	8	43	3.6%	0.8%	4.4%	23.6%	9.6%	15.2%	3.5%	18.7%
150M - 200M	15	11	26	1.5%	1.1%	2.6%	10.1%	13.3%	6.5%	4.8%	11.3%
200M - 300M	21	11	32	2.2%	1.1%	3.3%	14.2%	13.3%	9.1%	4.8%	13.9%
300M - 500M	21	6	27	2.2%	0.6%	2.8%	14.2%	7.2%	9.1%	2.6%	11.7%
500M - 1000M	6	6	12	0.6%	0.6%	1.2%	4.1%	7.2%	2.6%	2.6%	5.2%
Over 1000M	10	19	29	1.0%	2.0%	2.4%	6.8%	22.9%	4.3%	8.2%	12.5%
ALL CLEARANCES	148	83	231	15.3%	8.6%	23.9%	100.0%	100.0%	64.1%	35.9%	100.0%

TABLE IV
FISCAL YEAR 2003[1]
INVESTIGATIONS IN WHICH SECOND REQUESTS WERE ISSUED

TRANSACTION RANGE ($MILLIONS)	INVESTIGATIONS IN WHICH SECOND REQUEST WERE ISSUED[3]			SECOND REQUESTS ISSUED AS A PERCENTAGE OF:								
				TOTAL NUMBER OF TRANSACTIONS			TRANSACTIONS IN EACH TRANSACTION RANGE GROUP			TOTAL NUMBER OF SECOND REQUEST INVESTIGATIONS		
	FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
50M - 100M	1	4	5	0.1%	0.4%	0.5%	0.3%	1.1%	1.4%	2.9%	11.4%	14.3%
100M - 150M	3	1	4	0.3%	0.1%	0.4%	1.6%	0.5%	2.1%	8.6%	2.9%	11.4%
150M -200M	3	3	6	0.3%	0.3%	0.6%	3.4%	3.4%	6.8%	8.6%	8.6%	17.2%
200M - 300M	1	0	1	0.1%	0.0%	0.1%	0.9%	0.0%	0.9%	2.9%	0.0%	2.9%
300M - 500M	3	1	4	0.3%	0.1%	0.4%	3.0%	1.0%	4.0%	8.6%	2.9%	11.4%
500M - 1000M	2	4	6	0.2%	0.4%	0.6%	4.1%	8.2%	12.3%	5.7%	11.4%	17.1%
Over 1000M	2	7	9	0.2%	0.7%	0.9%	2.7%	9.5%	12.2%	5.7%	20.0%	25.7%
ALL TRANSACTIONS	15	20	35	1.5%	2.1%	3.6%	1.5%	2.1%	3.6%	43.0%	57.1%	100.0%

TABLE V
FISCAL YEAR 2003[1]
ACQUISITIONS BY REPORTING THRESHOLD

THRESHOLD[1]	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS				
	NUMBER	PERCENT	NUMBER		PERCENTAGE OF THRESHOLD GROUP			NUMBER		PERCENTAGE OF THRESHOLD GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
$50M	80	8.3%	10	3	12.5%	3.8%	16.3%	1	1	1.3%	1.3%	2.6%
$100M	144	14.9%	14	3	9.7%	2.1%	11.8%	2	0	1.4%	0.0%	1.4%
$500M	10	1.0%	0	4	0.0%	40.0%	40.0%	0	3	0.0%	30.0%	30.0%
25%	2	0.2%	0	1	0.0%	50.0%	50.0%	0	1	0.0%	50.0%	50.0%
50%	495	51.1%	65	45	13.1%	9.1%	22.2%	6	13	1.2%	2.6%	3.8%
ASSETS ONLY	237	24.5%	59	27	24.9%	11.4%	36.3%	6	2	2.5%	0.8%	3.3%
ALL TRANSACTIONS	968	100.0%	148	83	15.3%	8.6%	23.9%	15	20	1.5%	2.1%	3.6%

TABLE VI
FISCAL YEAR 2003[1]
TRANSACTIONS BY ASSETS OF ACQUIRING PERSON

ASSET RANGE ($MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS[3]				
	NUMBER	PERCENT	NUMBER		PERCENTAGE OF ASSET RANGE GROUP			NUMBER		PERCENTAGE OF ASSET RANGE GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
Below 50M	65	6.7%	3	1	4.6%	1.5%	6.1%	0	0	0.0%	0.0%	0.0%
50M - 100M	30	3.1%	1	0	3.3%	0.0%	3.3%	0	0	0.0%	0.0%	0.0%
100M - 150M	25	2.6%	1	2	4.0%	8.0%	12.0%	0	0	0.0%	0.0%	0.0%
150M - 200M	29	3.0%	3	1	10.3%	3.4%	13.7%	0	0	0.0%	0.0%	0.0%
200M - 300M	45	4.6%	5	1	11.1%	2.2%	13.3%	1	1	2.2%	2.2%	4.4%
300M - 500M	61	6.3%	4	2	6.6%	3.3%	9.9%	0	0	0.0%	0.0%	0.0%
500M - 1000M	123	12.7%	21	7	17.1%	5.7%	22.8%	2	1	1.6%	0.8%	2.4%
OVER 1000M	590	61.0%	110	69	18.6%	11.7%	30.3%	12	18	2.0%	3.1%	5.1%
ALL TRANSACTIONS	968	100.0%	148	83	15.3%	8.6%	23.9%	15	20	1.5%	2.1%	3.6%

TABLE VII FISCAL YEAR 2003[1] TRANSACTIONS BY SALES OF ACQUIRING PERSON												
SALES RANGE ($MILLIONS)	**HSR TRANSACTIONS**		**CLEARANCE GRANTED TO FTC OR DOJ**					**SECOND REQUEST INVESTIGATIONS[3]**				
	NUMBER	**PERCENT**	**NUMBER**		**PERCENTAGE OF SALES RANGE GROUP**			**NUMBER**		**PERCENTAGE OF SALES RANGE GROUP**		
			FTC	**DOJ**	**FTC**	**DOJ**	**TOTAL**	**FTC**	**DOJ**	**FTC**	**DOJ**	**TOTAL**
Below 50M	91	9.4%	7	4	7.7%	4.4%	12.1%	0	2	0.0%	2.2%	2.2%
50M - 100M	29	3.0%	1	1	3.4%	3.4%	6.8%	0	0	0.0%	0.0%	0.0%
100M - 150M	37	3.8%	3	1	8.1%	2.7%	10.8%	0	0	0.0%	0.0%	0.0%
150M - 200M	26	2.7%	2	0	7.7%	0.0%	7.7%	0	0	0.0%	0.0%	0.0%
200M - 300M	45	4.6%	6	1	13.3%	2.2%	15.5%	1	0	2.2%	0.0%	2.2%
300M - 500M	37	3.8%	4	3	10.8%	8.1%	18.9%	0	0	0.0%	0.0%	0.0%
500M - 1000M	119	12.3%	15	9	12.6%	7.6%	20.2%	0	2	0.0%	1.7%	1.7%
0VER 1000M	544	56.2%	109	63	20.0%	11.6%	31.6%	14	15	2.6%	2.8%	5.4%
Sales Not Available[5]	40	4.1%	1	1	2.5%	2.5%	5.0%	0	1	0.0%	2.5%	2.5%
ALL TRANSACTIONS	968	100.0%	148	83	15.3%	8.6%	23.9%	15	20	1.5%	2.1%	3.6%

TABLE VIII FISCAL YEAR 2003 TRANSACTIONS BY ASSETS OF ACQUIRED ENTITIES												
ASSET RANGE ($MILLIONS)	**HSR TRANSACTIONS**		**CLEARANCE GRANTED TO FTC OR DOJ**					**SECOND REQUEST INVESTIGATIONS[3]**				
	NUMBER	**PERCENT**	**NUMBER**		**PERCENTAGE OF ASSET RANGE GROUP**			**NUMBER**		**PERCENTAGE OF ASSET RANGE GROUP**		
			FTC	**DOJ**	**FTC**	**DOJ**	**TOTAL**	**FTC**	**DOJ**	**FTC**	**DOJ**	**TOTAL**
Below 50M	219	22.6%	50	27	22.8%	12.3%	35.1%	1	2	0.5%	0.9%	1.4%
50M - 100M	118	12.2%	13	11	11.0%	9.3%	20.3%	0	2	0.0%	1.7%	1.7%
100M - 150M	73	7.5%	8	9	11.0%	12.3%	23.3%	2	2	2.7%	2.7%	5.4%
150M - 200M	62	6.4%	8	3	12.9%	4.8%	17.7%	2	3	3.2%	4.8%	8.0%
200M - 300M	72	7.4%	7	3	9.7%	4.2%	13.9%	1	2	1.4%	2.8%	4.2%
300M - 500M	120	12.4%	10	7	8.3%	5.8%	14.1%	0	2	0.0%	1.7%	1.7%
500M - 1000M	159	16.4%	27	9	17.0%	5.7%	22.7%	4	3	2.5%	1.9%	4.4%
0VER 1000M	75	7.7%	8	9	10.7%	12.0%	22.7%	2	2	2.7%	2.7%	5.4%
Assets Not Available[6]	70	7.2%	17	5	24.3%	7.1%	31.4%	3	2	4.3%	2.9%	7.2%
ALL TRANSACTIONS	968	100.0%	148	83	15.3%	8.6%	23.9%	15	20	1.5%	2.1%	3.6%

TABLE IX FISCAL YEAR 2003 TRANSACTIONS BY SALES OF ACQUIRED ENTITIES[7]												
SALES RANGE ($ MILLIONS)	**HSR TRANSACTIONS**		**CLEARANCE GRANTED TO FTC OR DOJ**					**SECOND REQUEST INVESTIGATIONS[3]**				
	NUMBER	**PERCENT**	**NUMBER**		**PERCENTAGE OF SALES RANGE GROUP**			**NUMBER**		**PERCENTAGE OF SALES RANGE GROUP**		
			FTC	**DOJ**	**FTC**	**DOJ**	**TOTAL**	**FTC**	**DOJ**	**FTC**	**DOJ**	**TOTAL**
Below 50M	202	20.9%	29	15	14.4%	7.4%	21.8%	1	1	0.5%	0.5%	1.0%
50M - 100M	137	14.2%	22	5	16.1%	3.6%	19.7%	1	4	0.7%	2.9%	3.6%
100M - 150M	79	8.2%	11	9	13.9%	11.4%	25.3%	1	2	1.3%	2.5%	3.8%
150M - 200M	53	5.5%	12	6	22.6%	11.3%	34.0%	2	2	3.8%	3.8%	7.6%
200M - 300M	71	7.3%	11	7	15.5%	9.9%	25.4%	2	2	2.8%	2.8%	5.6%
300M - 500M	62	6.4%	9	4	14.5%	6.5%	21.0%	1	0	1.6%	0.0%	1.6%
500M - 1000M	63	6.5%	3	7	4.8%	11.1%	15.9%	2	2	3.2%	3.2%	6.4%
0VER 1000M	91	9.4%	7	14	7.7%	15.4%	23.1%	3	4	3.3%	4.4%	7.7%
Sales Not Available[8]	210	21.7%	44	16	21.0%	7.6%	28.6%	2	3	1.0%	1.4%	2.4%
ALL TRANSACTIONS	968	100.0%	148	83	15.3%	8.6%	23.9%	15	20	1.5%	2.1%	3.6%

TABLE X
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
111	Agricultural Production - Crops	0	0.0%	NC	0	0	0	0	0	0
112	Agricultural Production - Livestock and Animal Specialties	0	0.0%	-0.1%	0	0	0	0	0	0
113	Lumber and Wood Products, Except Furniture	3	0.3%	0.2%	0	0	0	0	0	0
114	Fishing, Hunting and Trapping	0	0.0%	NC	0	0	0	0	0	0
211	Oil and Gas Extraction	6	0.6%	0.5%	0	0	0	0	0	0
212	Mining and Quarrying of Nonmetallic Minerals, Except Fuels	3	0.3%	-0.8%	2	0	2	1	0	1
213	Drilling Oil and Gas Wells	3	0.3%	0.0%	0	0	0	0	0	0
221	Electric, Gas and Sanitary Services	18	1.9%	2.7%	3	1	4	1	0	1
233	Building Construction – General Contractors and Operative Builders	4	0.4%	0.3%	0	0	0	0	0	0
234	Heavy Construction Other Than Building Construction - Contractors	2	0.2%	0.0%	0	1	1	0	1	1
235	Construction - Special Grade Contractors	4	0.4%	0.2%	1	0	1	0	0	0
311	Food and Kindred Products	29	3.0%	0.2%	5	5	10	0	4	3
312	Bottled and Canned Soft Drinks and Carbonated Drinks; and Cigarette Manufacturing	8	0.8%	0.1%	0	0	0	0	0	0

TABLE X
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
313	Textile Mill Products	1	0.1%	NC	0	0	0	0	0	0
315	Apparel and Other Finished Products Made From Fabrics and Similar Materials	3	0.3%	0.2%	0	1	1	0	0	0
316	Leather and Leather Products	0	0.0%	NC	0	0	0	0	0	0
321	Sawmills	3	0.3%	0.3%	0	0	0	0	0	0
322	Paper and Allied Products	7	0.7%	-0.1%	0	1	1	0	1	1
323	Commercial Lithographic Printing	6	0.6%	0.6%	0	0	0	0	0	0
324	Petroleum Refining and Related Industries	7	0.7%	-0.1%	1	1	2	2	0	2
325	Chemicals and Allied Products	79	8.2%	2.0%	37	3	40	1	0	1
326	Rubber and Misc. Plastics Products	15	1.5%	-0.3%	3	0	3	0	0	0
327	Stone, Clay, Glass and Concrete Products	7	0.7%	0.4%	5	0	5	0	0	0
331	Iron and Steel Mills	14	1.4%	1.4%	2	6	8	0	1	1
332	Fabricated Metal Products, Except Machinery and Transportation Equipment	20	2.1%	0.1%	6	2	8	0	0	0
333	Industrial and Commercial Machinery and Computer Equipment	24	2.5%	0.6%	2	3	5	0	0	0

TABLE X **FISCAL YEAR 2003[1]** **INDUSTRY GROUP OF ACQUIRING PERSONS**										
3-DIGIT NAICS CODE[9]	**INDUSTRY DESCRIPTION**	**NUMBER[4]**	**PERCENT OF TOTAL**	**CHANGE FROM FY 2002[10]**	**CLEARANCE GRANTED TO FTC OR DOJ**			**SECOND REQUEST INVESTIGATIONS[3]**		
					FTC	**DOJ**	**TOTAL**	**FTC**	**DOJ**	**TOTAL**
334	**MEASURING, ANALYZING AND CONTROLLING INSTRUMENTS; PHOTOGRAPHIC, MEDICAL AND OPTICAL GOODS; WATCHES AND CLOCKS**	50	5.2%	1.7%	9	10	19	1	2	3
335	**ELECTRONIC AND OTHER ELECTRICAL EQUIPMENT AND COMPONENTS, EXCEPT COMPUTER EQUIPMENT**	9	0.9%	NC	0	0	0	0	0	0
336	**TRANSPORTATION EQUIPMENT**	23	2.4%	0.8%	5	1	6	2	0	2
337	**HOME FURNITURE, FURNISHINGS AND EQUIPMENT STORES**	5	0.5%	0.1%	0	0	0	0	0	0
339	**MISCELLANEOUS MANUFACTURING INDUSTRIES**	18	1.9%	0.6%	6	0	6	0	0	0
421	**WHOLESALE TRADE - DURABLE GOODS**	35	3.6%	-0.2%	6	2	8	1	0	1
422	**WHOLESALE TRADE - NONDURABLE GOODS**	39	4.0%	-0.9%	13	5	18	0	0	0
423	**AUTOMOBILE AND OTHER MOTOR VEHICLE MERCHANT WHOLESALERS**	3	0.3%	NC	0	0	0	0	0	0
424	**PRINTING AND WRITING PAPER MERCHANT WHOLESALERS**	1	0.1%	NC	0	0	0	0	0	0
425	**BUSINESS TO BUSINESS ELECTRONIC MARKETS**	1	0.1%	NC	0	0	0	0	0	0
441	**AUTOMOTIVE DEALERS AND GASOLINE SERVICE STATIONS**	5	0.5%	0.1%	0	0	0	0	0	0
442	**FURNITURE STORES**	1	0.1%	NC	0	0	0	0	0	0
443	**MISCELLANEOUS REPAIR SERVICES**	0	0.0%	-0.2%	0	0	0	0	0	0

TABLE X
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
444	BUILDING MATERIALS, HARDWARE, GARDEN SUPPLY, AND MOBILE HOME DEALERS	0	0.0%	NC	0	0	0	0	0	0
445	SUPERMARKETS AND OTHER GROCERY (EXCEPT CONVENIENCE) STORES	3	0.3%	NC	0	0	0	0	0	0
446	MISCELLANEOUS RETAIL	2	0.2%	-0.3%	1	0	1	0	0	0
447	FOOD STORES	6	0.6%	0.4%	4	0	4	3	0	3
448	APPAREL AND ACCESSORY STORES	2	0.2%	-0.2%	0	0	0	0	0	0
451	SPORTING GOODS STORES	2	0.2%	NC	2	0	2	0	0	0
452	GENERAL MERCHANDISE STORES	3	0.3%	0.2%	0	0	0	0	0	0
453	STATIONERY AND OFFICE SUPPLIES	1	0.1%	-0.1%	0	0	0	0	0	0
454	HEATING OIL DEALERS AND LIQUEFIED PETROLEUM GAS	8	0.8%	0.1%	0	0	0	0	0	0
481	TRANSPORTATION BY AIR	0	0.0%	-0.3%	0	0	0	0	0	0
482	RAILROAD TRANSPORTATION	0	0.0%	-0.1%	0	0	0	0	0	0
483	WATER TRANSPORTATION	2	0.2%	-0.1%	0	0	0	0	0	0
484	MOTOR FREIGHT TRANSPORTATION AND WAREHOUSING	3	0.3%	NC	0	1	1	0	1	1
485	LOCAL AND SUBURBAN TRANSIT AND INTERURBAN HIGHWAY PASSENGER TRANSPORTATION	0	0.0%	NC	0	0	0	0	0	0
486	PIPELINES, EXCEPT NATURAL GAS	7	0.7%	-1.1%	0	0	0	0	0	0
488	AIR TRAFFIC CONTROL	2	0.2%	NC	0	0	0	0	0	0
492	COURIERS	2	0.2%	NC	0	2	2	0	0	0
511	PRINTING, PUBLISHING AND ALLIED INDUSTRIES	51	5.3%	1.4%	1	10	11	0	3	3
512	MOTION PICTURES	5	0.5%	-0.7%	0	2	2	0	1	1

TABLE X
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
513	COMMUNICATIONS	45	4.6%	-2.3%	2	3	5	0	1	1
514	ON-LINE SERVICES	20	2.1%	NC	2	5	7	0	2	2
519	NEWS SYNDICATES	1	0.1%	NC	0	0	0	0	0	0
521	DEPOSITORY INSTITUTIONS	0	0.0%	NC	0	0	0	0	0	0
522	NONDEPOSITORY CREDIT INSTITUTIONS	25	2.6%	-1.9%	0	1	1	0	1	1
523	SECURITY AND COMMODITY BROKERS, DEALERS, EXCHANGES AND SERVICES	63	6.5%	-1.2%	0	0	0	0	0	0
524	INSURANCE CARRIERS	30	3.1%	0.3%	1	1	2	0	0	0
525	INSURANCE AGENTS, BROKERS AND SERVICE	4	0.4%	-1.2%	0	0	0	0	0	0
531	LESSORS OF RESIDENTIAL BUILDINGS AND DWELLINGS	11	1.1%	NC	0	1	1	0	0	0
532	AUTOMOTIVE REPAIR, SERVICES AND PARKING	6	0.6%	0.2%	0	1	1	0	0	0
533	LESSORS OF NONFINANCIAL INTANGIBLE ASSETS (EXCEPT COPYRIGHTED WORKS)	4	0.4%	NC	1	0	1	0	0	0
541	SERVICES -- BUSINESS, LEGAL, ENGINEERING, ACCOUNTING, RESEARCH, MANAGEMENT AND RELATED SERVICES	52	5.4%	-1.9%	9	8	17	1	0	1
551	HOLDING AND OTHER INVESTMENT OFFICES	1	0.1%	-0.1%	0	0	0	0	0	0
561	TRANSPORTATION SERVICES	11	1.1%	-0.7%	1	1	2	0	0	0
562	SOLID WASTE COLLECTION	3	0.3%	NC	0	2	2	0	2	2
611	EDUCATIONAL SERVICES	7	0.7%	0.4%	0	0	0	0	0	0
621	HEALTH SERVICES	11	1.1%	0.1%	3	1	4	0	0	0

TABLE X
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
622	**GENERAL MEDICAL AND SURGICAL; PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS**	20	2.1%	0.7%	1	0	1	0	0	0
624	**SOCIAL SERVICES**	3	0.3%	0.2%	0	0	0	0	0	0
711	**REAL ESTATE**	3	0.3%	-0.1%	0	0	0	0	0	0
713	**AMUSEMENT AND RECREATION SERVICES**	5	0.5%	0.1%	4	0	4	0	0	0
721	**HOTELS, ROOMING HOUSES, CAMPS, AND OTHER LODGING PLACES**	1	0.1%	-0.3%	0	0	0	0	0	0
722	**EATING AND DRINKING PLACES**	8	0.8%	-0.4%	2	0	2	0	0	0
811	**GENERAL AUTOMOTIVE REPAIR**	3	0.3%	NC	0	0	0	0	0	0
812	**PERSONAL SERVICES**	4	0.4%	0.2%	0	0	0	0	0	0
813	**MEMBERSHIP ORGANIZATIONS**	0	0.0%	-0.1%	0	0	0	0	0	0
923	**ADMINISTRATION OF HUMAN RESOURCE PROGRAMS**	0	0.0%	NC	0	0	0	0	0	0
924	**ADMINISTRATION OF ENVIRONMENTAL QUALITY AND HOUSING PROGRAMS**	0	0.0%	NC	0	0	0	0	0	0
999	**NON-CLASSIFICABLE ESTABLISHMENTS**	0	0.0%	NC	0	0	0	0	0	0
000	NOT AVAILABLE[11]	72	7.4%	2.5%	3	2	5	2	0	2
	ALL TRANSACTIONS	968			143	83	226	15	20	35

TABLE XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE [9]	INDUSTRY DESCRIPTION	NUMBER [4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
111	Agricultural Production - Crops	1	0.1%	0.1%	0	0	0	0	0	0	0
112	Agricultural Production - Livestock and Animal Specialties	0	0.0%	-0.1%	0	0	0	0	0	0	0
113	Lumber and Wood Products, Except Furniture	3	0.3%	NC	0	0	0	0	0	0	3
114	Fishing, Hunting and Trapping	0	0.0%	NC	0	0	0	0	0	0	0
211	Oil and Gas Extraction	6	0.6%	-0.2%	0	0	0	0	0	0	6
212	Mining and Quarrying of Nonmetallic Minerals, Except Fuels	5	0.5%	-0.3%	2	0	2	2	0	2	3
213	Drilling Oil and Gas Wells	4	0.4%	NC	0	0	0	0	0	0	3
221	Electric, Gas and Sanitary Services	27	2.8%	-2.3%	2	1	3	0	0	0	16
233	Building Construction – General Contractors and Operative Builders	1	0.1%	0.1%	0	0	0	0	0	0	0
234	Heavy Construction Other Than Building Construction - Contractors	2	0.2%	-0.5%	0	0	0	0	0	0	1

TABLE XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
235	CONSTRUCTION - SPECIAL GRADE CONTRACTORS	1	0.1%	-0.8%	0	0	0	0	0	0	1
311	FOOD AND KINDRED PRODUCTS	37	3.8%	-0.6%	2	6	8	0	3	3	25
312	BOTTLED AND CANNED SOFT DRINKS AND CARBONATED DRINKS; AND CIGARETTE MANUFACTURING	6	0.6%	0.1%	0	0	0	0	0	0	6
313	TEXTILE MILL PRODUCTS	2	0.2%	NC	0	0	0	0	0	0	1
315	APPAREL AND OTHER FINISHED PRODUCTS MADE FROM FABRICS AND SIMILAR MATERIALS	6	0.6%	0.5%	0	1	1	0	0	0	3
316	LEATHER AND LEATHER PRODUCTS	0	0.0%	NC	0	0	0	0	0	0	0
321	SAWMILLS	3	0.3%	NC	1	0	1	0	0	0	4
322	PAPER AND ALLIED PRODUCTS	7	0.7%	0.3%	1	1	2	0	0	0	4
324	PETROLEUM REFINING AND RELATED INDUSTRIES	9	0.9%	0.5%	1	1	2	1	0	1	3
325	CHEMICALS AND ALLIED PRODUCTS	70	7.2%	1.3%	30	3	33	1	0	1	7
326	RUBBER AND MISC. PLASTICS PRODUCTS	18	1.9%	0.3%	4	0	4	1	0	1	51
327	STONE, CLAY, GLASS AND CONCRETE PRODUCTS	7	0.7%	-0.9%	4	0	4	0	0	0	18
331	IRON AND STEEL MILLS	14	1.4%	NC	3	5	8	0	1	1	6

Table XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
332	Fabricated Metal Products, Except Machinery and Transportation Equipment	19	2.0%	0.2%	4	2	6	0	0	0	11
333	Industrial and Commercial Machinery and Computer Equipment	17	1.8%	-0.3%	1	3	4	0	0	0	12
334	Measuring, Analyzing and Controlling Instruments; Photographic, Medical and Optical Goods; Watches and Clocks	44	4.5%	2.2%	6	9	15	2	2	4	31
335	Electronic and Other Electrical Equipment and Components, Except Computer Equipment	6	0.6%	-0.3%	0	0	0	0	0	0	4
336	Transportation Equipment	25	2.6%	0.6%	6	1	7	2	0	2	15
337	Home Furniture, Furnishings and Equipment Stores	3	0.3%	NC	0	0	0	0	0	0	1
339	Miscellaneous Manufacturing Industries	28	2.9%	1.8%	7	0	7	0	0	0	14
421	Wholesale Trade - Durable Goods	46	4.8%	NC	5	1	6	0	0	0	25
422	Wholesale Trade - Nondurable Goods	37	3.8%	-0.5%	12	5	17	0	0	0	26

TABLE XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
423	AUTOMOBILE AND OTHER MOTOR VEHICLE MERCHANT WHOLESALERS	1	0.1%	NC	0	0	0	0	0	0	0
424	PRINTING AND WRITING PAPER MERCHANT WHOLESALERS	1	0.1%	NC	0	0	0	0	0	0	0
441	AUTOMOTIVE DEALERS AND GASOLINE SERVICE STATIONS	7	0.7%	0.1%	0	0	0	0	0	0	5
443	MISCELLANEOUS REPAIR SERVICES	2	0.2%	NC	0	0	0	0	0	0	0
444	BUILDING MATERIALS, HARDWARE, GARDEN SUPPLY, AND MOBILE HOME DEALERS	3	0.3%	0.3%	0	0	0	0	0	0	0
445	SUPERMARKETS AND OTHER GROCERY (EXCEPT CONVENIENCE) STORES	3	0.3%	NC	0	0	0	0	0	0	3
446	MISCELLANEOUS RETAIL	2	0.2%	-0.6%	2	0	2	0	0	0	2
447	FOOD STORES	5	0.5%	0.4%	4	0	4	3	0	3	5
448	APPAREL AND ACCESSORY STORES	1	0.1%	-0.7%	0	0	0	0	0	0	1
451	SPORTING GOODS STORES	2	0.2%	NC	1	0	1	0	0	0	2
452	GENERAL MERCHANDISE STORES	5	0.5%	NC	0	0	0	0	0	0	2
453	STATIONERY AND OFFICE SUPPLIES	1	0.1%	0.1%	0	0	0	0	0	0	1
454	HEATING OIL DEALERS AND LIQUEFIED PETROLEUM GAS	8	0.8%	-1.0%	0	0	0	0	0	0	4

TABLE XI FISCAL YEAR 2003[1] INDUSTRY GROUP OF ACQUIRED ENTITIES												
3-DIGIT NAICS CODE[9]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
481	TRANSPORTATION BY AIR	0	0.0%	-0.3%	0	0	0	0	0	0	0
482	RAILROAD TRANSPORTATION	1	0.1%	0.1%	0	0	0	0	0	0	0
483	WATER TRANSPORTATION	4	0.4%	0.1%	0	1	1	0	1	1	2
484	MOTOR FREIGHT TRANSPORTATION AND WAREHOUSING	3	0.3%	NC	0	1	1	0	1	1	2
485	LOCAL AND SUBURBAN TRANSIT AND INTERURBAN HIGHWAY PASSENGER TRANSPORTATION	0	0.0%	NC	0	0	0	0	0	0	0
486	PIPELINES, EXCEPT NATURAL GAS	10	1.0%	-1.0%	4	0	4	1	0	1	7
488	AIR TRAFFIC CONTROL	1	0.1%	NC	0	0	0	0	0	0	1
492	COURIERS	2	0.2%	NC	0	1	1	0	0	0	2
511	PRINTING, PUBLISHING AND ALLIED INDUSTRIES	51	5.3%	0.5%	2	8	10	0	2	2	42
512	MOTION PICTURES	5	0.5%	-0.6%	0	2	2	0	1	1	3
513	COMMUNICATIONS	59	6.1%	-2.7%	2	4	6	0	1	1	38
514	ON-LINE SERVICES	25	2.6%	NC	2	6	8	0	3	3	16
518	INTERNET SERVICE PROVIDERS, WEB SEARCH PORTALS, AND DATA PROCESSING SERVICES	1	0.1%	NC	0	0	0	0	0	0	0
521	DEPOSITORY INSTITUTIONS	1	0.1%	NC	0	0	0	0	0	0	0
522	NONDEPOSITORY CREDIT INSTITUTIONS	27	2.8%	-0.8%	0	2	2	0	1	1	14

TABLE XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE [9]	INDUSTRY DESCRIPTION	NUMBER [4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
523	SECURITY AND COMMODITY BROKERS, DEALERS, EXCHANGES AND SERVICES	30	3.1%	1.1%	0	0	0	0	0	0	27
524	INSURANCE CARRIERS	32	3.3%	0.5%	1	1	2	0	0	0	27
525	INSURANCE AGENTS, BROKERS AND SERVICE	1	0.1%	-0.2%	0	0	0	0	0	0	0
531	LESSORS OF RESIDENTIAL BUILDINGS AND DWELLINGS	9	0.9%	NC	0	1	1	0	0	0	9
532	AUTOMOTIVE REPAIR, SERVICES AND PARKING	9	0.9%	NC	0	1	1	0	0	0	6
533	LESSORS OF NONFINANCIAL INTANGIBLE ASSETS (EXCEPT COPYRIGHTED WORKS)	8	0.8%	NC	1	2	3	0	0	0	4
541	ENGINEERING, ACCOUNTING, RESEARCH, MANAGEMENT AND RELATED SERVICES	53	5.5%	2.3%	9	8	17	0	1	1	36
551	HOLDING AND OTHER INVESTMENT OFFICES	3	0.3%	0.3%	0	1	1	0	1	1	0
561	TRANSPORTATION SERVICES	16	1.7%	NC	5	2	7	0	1	1	6
562	SOLID WASTE COLLECTION	6	0.6%	NC	0	1	1	0	1	1	2
564		1	0.1%	NC	1	0	1	0	0	0	0
611	EDUCATIONAL SERVICES	7	0.7%	0.4%	0	0	0	0	0	0	3
621	HEALTH SERVICES	8	0.8%	-0.3%	1	1	2	0	0	0	5

TABLE XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE [9]	INDUSTRY DESCRIPTION	NUMBER [4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
622	GENERAL MEDICAL AND SURGICAL; PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS	15	1.5%	0.3%	1	0	1	0	0	0	15
623	NURSING AND RESIDENTIAL CARE FACILITIES	5	0.5%	NC	0	1	1	0	0	0	4
624	SOCIAL SERVICES	2	0.2%	-0.2%	0	0	0	0	0	0	1
711	REAL ESTATE	4	0.4%	0.1%	0	0	0	0	0	0	1
713	AMUSEMENT AND RECREATION SERVICES	4	0.4%	-0.2%	0	0	0	0	0	0	4
721	HOTELS, ROOMING HOUSES, CAMPS, AND OTHER LODGING PLACES	3	0.3%	NC	0	0	0	0	0	0	6
722	EATING AND DRINKING PLACES	10	1.0%	-0.2%	0	0	0	0	0	0	2
811	GENERAL AUTOMOTIVE REPAIR	4	0.4%	NC	0	0	0	0	0	0	4
812	PERSONAL SERVICES	5	0.5%	0.3%	0	0	0	0	0	0	0
813	MEMBERSHIP ORGANIZATIONS	0	0.0%	NC	0	0	0	0	0	0	0
923	ADMINISTRATION OF HUMAN RESOURCE PROGRAMS	0	0.0%	NC	0	0	0	0	0	0	0
924	ADMINISTRATION OF ENVIRONMENTAL QUALITY AND HOUSING PROGRAMS	0	0.0%	NC	0	0	0	0	0	0	0
999	NONCLASSIFICABLE ESTABLISHMENTS	0	0.0%	NC	0	0	0	0	0	0	0
000	NOT AVAILABLE[12]	48	5.0%	0.7%	16	0	16	2	0	2	2

TABLE XI
FISCAL YEAR 2003[1]
INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE [9]	INDUSTRY DESCRIPTION	NUMBER [4]	PERCENT OF TOTAL	CHANGE FROM FY 2002[10]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[12]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
	ALL TRANSACTIONS	968	100.0%	--	143	83	226	15	20	35	616

[1] Fiscal Year 2003 figures include transactions reported between October 1, 2002 and September 30, 2003.

[2] The size-of-transactions is based on the aggregate total amount of voting securities and/or assets to be held by the acquiring person as a result of the transaction and is taken from the response to Item 3(b)(ii) and 3(c) of the notification form.

[3] These statistics are based on the date that the second request was issued.

[4] During fiscal year 2003, 1,014 transactions were reported under the HSR Premerger Notification program. The smaller number of 968 reflects adjustments to eliminate the following types of transactions: (1) transactions reported under Sections 7A(c)(6) and (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 multiple party transactions (transactions involving two or more acquiring persons).

[5] This category includes newly formed acquiring persons, foreign acquiring person with no United States revenues, and acquiring persons who had not derived any revenues from their investments at the time of filing.

[6] Assets of an acquired entity are available when the acquired entity's financial data is consolidated within its ultimate parent.

[7] Sales of an acquired entity are taken from responses to Items 4(a) and (b) (SEC documents and annual reports) or Item 5 (dollar revenues) of the Premerger Notification and Report form.

[8] This category includes acquisitions of newly formed corporations or corporate joint ventures from which no sales were generated, and acquisitions of assets which produced no sales or revenues during the prior year to filing the Notification and Report form.

[9] The 3-digit codes are part of the North American Industrial Classification System (NAICS) established by the United States Government North American Industrial Classification System 1997, Executive Office of the President, Office of Management and Budget. The NAICS groups used in this table were determined from responses submitted by the parties to Item 5 of the Premerger Notification and Report effective July 1, 2001

[10] This number represents the deviation from the FY 2002 percentage.

[11] This category includes transactions by newly formed entities.

[12] The intra-industry transaction column identifies the number of acquisitions in which both the acquiring and acquired persons derived revenues in the same industry