FEDERAL TRADE COMMISSION
BUREAU OF COMPETITION

DEPARTMENT OF JUSTICE
ANTITRUST DIVISION

HART-SCOTT-RODINO ANNUAL REPORT
FISCAL YEAR 2006

Section 7A of the Clayton Act
Hart-Scott-Rodino Antitrust Improvements Act of 1976
(Twenty-Ninth 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, enables the Federal Trade Commission (the "Commission") and the Antitrust Division of the Department of Justice (the "Antitrust Division" or "Division") 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 2006[1] to protect consumers -- individual, business, and government -- against anticompetitive mergers.

The Commission and the Antitrust Division continue their efforts to protect competition by identifying and investigating those mergers and acquisitions that raise potentially significant competitive concerns. In fiscal year 2006, 1,768 transactions were reported under the HSR Act, representing about a four percent increase from the 1,695 transactions reported in fiscal year 2005 and about a sixty-four percent decrease from the 4,926 transactions reported in fiscal year 2000, the last full fiscal year under the previous reporting thresholds.[2] (S*ee* Figure 1 below.)

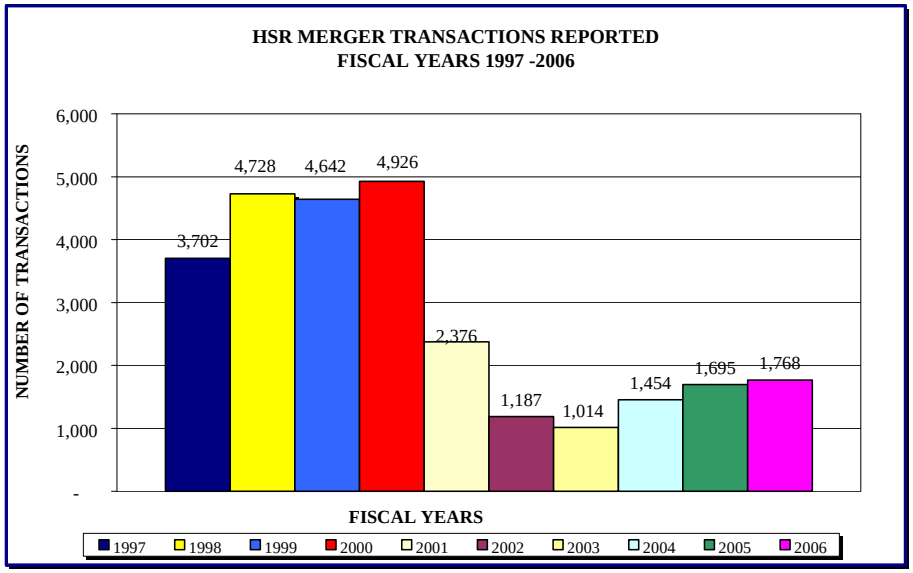

Figure 1

[1] The fiscal year covers the period of October 1, 2005 through September 30, 2006.

[2] 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 (with annual adjustments for inflation that began in 2005), 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 sixteen transactions, leading to nine consent orders and seven abandoned transactions. Notably, the Commission challenged the proposed merger of Teva Pharmaceutical Industries Ltd. and IVAX Corporation.[3] The proposed merger likely would have increased prices for consumers in the U.S. market for several generic drug products. The Commission also challenged the proposed acquisition by Fresenius AG of Renal Care Group, Inc.,[4] which would have eliminated direct competition between the two firms, likely resulting in higher prices and reduced incentives to improve service for consumers who receive outpatient dialysis services in several U.S. markets.

The Antitrust Division challenged sixteen merger transactions, leading to eight consent decrees, two abandoned transactions, and six other transactions that were restructured after the Division informed the parties of its antitrust concerns relating to the transaction. Notably, the Division obtained a consent decree under which Mittal Steel Company N.V., will divest one of the three North American tin mills it will own as a result of acquiring Arcelor S.A. The divestiture will preserve competition in the market for tin mill products, which are finely rolled steel sheets used in many consumer product applications.[5] Also, just prior to trial, the Division obtained a settlement in its challenge to Dairy Farmers of America's ("DFA") consummated acquisition of a partial ownership interest in Southern Belle Dairy. The settlement required DFA to divest all of its ownership interest in Southern Belle, protecting competition for school milk sales in a total of 100 school districts in Kentucky and Tennessee.[6]

In fiscal year 2006, 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 introductory guides that provide an overview of the premerger notification program and review process. It also provides access to the filing form and instructions, the premerger notification statute and rules, current filing thresholds, notices of grants of early termination, filing fee instructions, scheduled 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 primary source of information for HSR practitioners seeking information on changes to the Act and amendments to the premerger rules, including speeches, press releases, summaries and highlights, and Federal Register notices about the amendments. The website also includes a database of informal interpretation letters, giving the public ready access to PNO staff interpretations of the premerger notification rules and the Act. As always, PNO staff is available to assist HSR practitioners and readily provides them with needed information.

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[3] *See infra* p. 16.

[4] *See infra* p. 17.

[5] *See infra* p. 14.

[6] *See infra* p. 15.

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. In general, the HSR 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, the agency 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 may also challenge the transaction in administrative litigation.

The Commission, with the concurrence of the Assistant Attorney General for the Antitrust Division, 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.[7]

[7] 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,

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 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.[8] Appendix A also shows for fiscal years 1997 through 2006 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 1997 through 2006.

The statistics set out in these appendices show that the number of transactions reported in fiscal year 2006 increased approximately 4 percent from the number of transactions reported in fiscal year 2005. In fiscal year 2006, 1,768 transactions were reported, while 1,695 were reported in fiscal year 2005. The statistics in Appendix A also show that the number of merger investigations in which second requests were issued in fiscal year 2006 decreased approximately 10 percent from the number of merger investigations in which second requests were issued in fiscal year 2005. Second requests were issued in 45 merger investigations in fiscal year 2006, while second requests were issued in 50 merger investigations in fiscal year 2005. The percentage of transactions resulting in second requests also decreased, from 3.1 percent in fiscal year 2005 to 2.6 percent in fiscal year 2006. (*See* Figure 2 below.)

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); 70 Fed. Reg. 4988 (January 31, 2005); 70 Fed. Reg. 11501 (March 8, 2005); 70 Fed. Reg. 11526 (March 8, 2005); 70 Fed. Reg. 47733 (August 15, 2005); 70 Fed. Reg. 73369 (December 12, 2005; 70 Fed Reg. 77312 (December 30, 2005); 71 Fed. Reg. 2943 (January 18, 2006); 71 Fed. Reg. 35995 (June 23, 2006).

[8] 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.

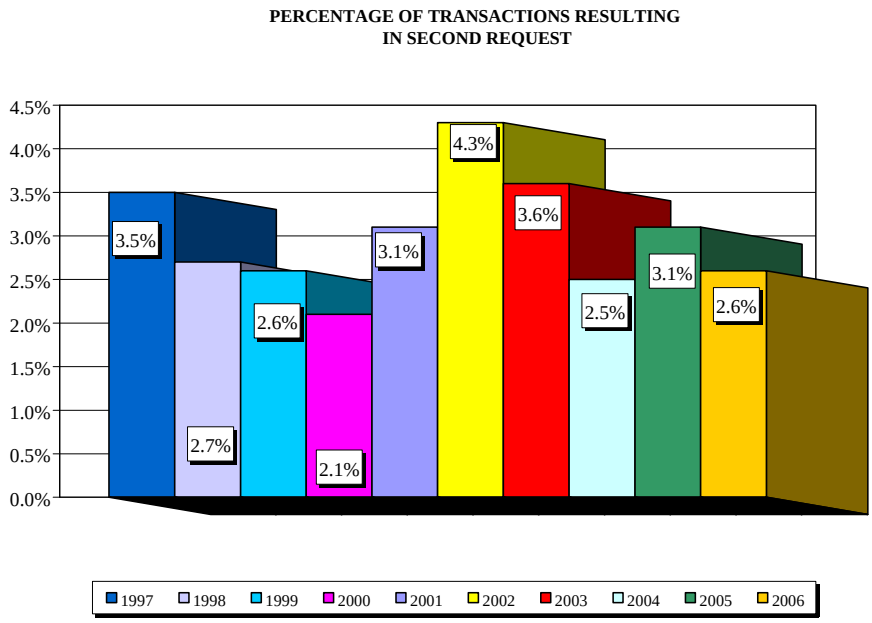

Figure 2

The statistics in Appendix A also show that early termination of the waiting period was requested in the majority of transactions. In fiscal year 2006, early termination was requested in 83 percent (1,468) of the transactions reported, up slightly from fiscal year 2005 where it was requested in 82 percent (1,385) of the transactions reported. Likewise, the percentage of requests granted out of the total requested increased from 72 percent in fiscal year 2005, to 75 percent in fiscal year 2006.

Statistical tables (Tables I through XI) in Exhibit A contain information about the agencies' enforcement activities for transactions reported in fiscal year 2006. 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 2006, clearance was granted to one or the other of the agencies for the purpose of conducting an initial investigation in 17.4 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 1996 to 2000 from about $677.4 billion to about $3 trillion. After the statutory thresholds were raised, the dollar value declined to about $1 trillion in fiscal year 2001, $565.4 billion in fiscal year 2002, and $406.8 billion in fiscal year 2003. During the last three years, there has been an increase in the dollar value of reported transactions rising to about $630 billion in fiscal year 2004, $1.1 trillion in fiscal year 2005, and $1.3 trillion in fiscal year 2006.

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 2006 based on the acquired entity's operations.

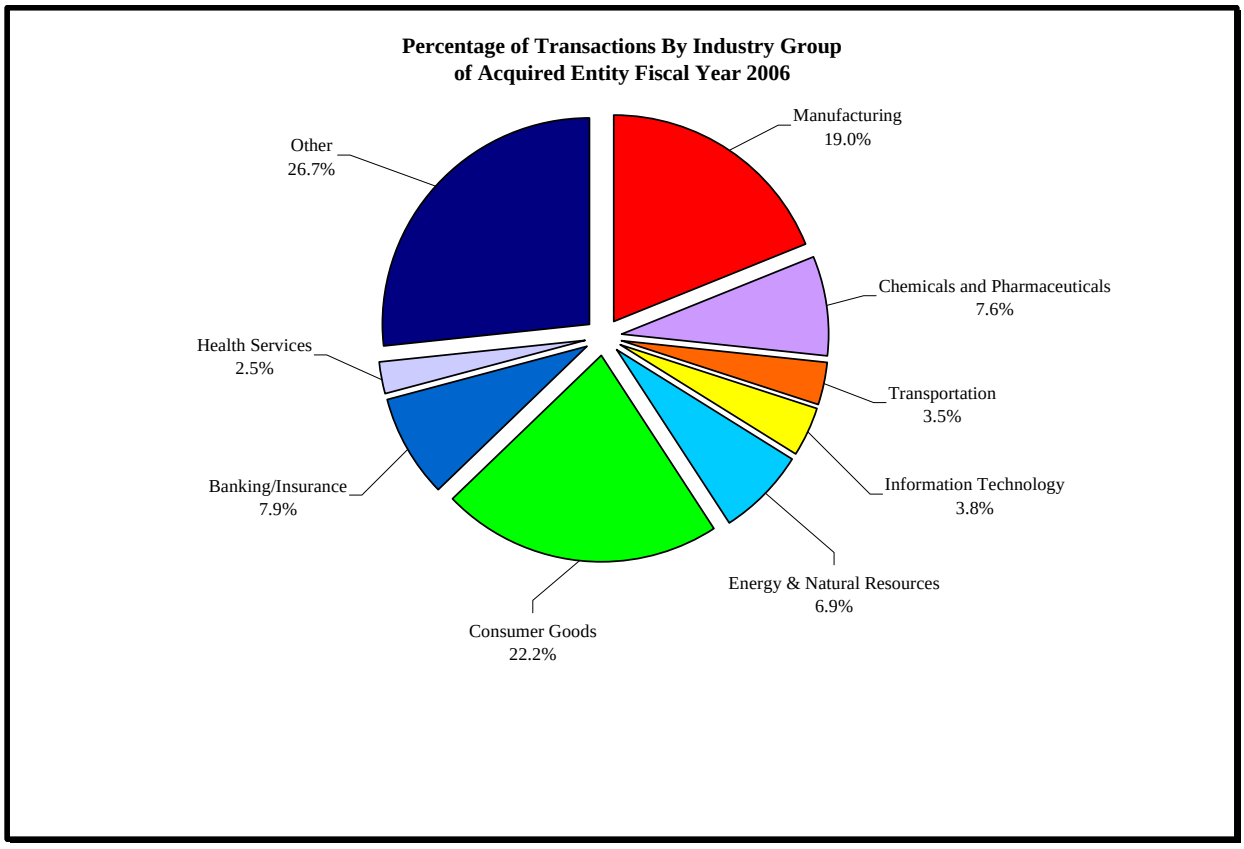

Figure 3

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 2006. 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.[9] The antitrust agencies examine the circumstances of each violation to determine whether penalties should be sought.[10] During fiscal year 2006, 32 corrective filings for violations were received. The agencies brought one enforcement action, resulting in the payment of $1.8 million in civil penalties.

In *United States v. QUALCOMM Incorporated et al.,*[11] the complaint alleged that QUALCOMM and Flarion Technologies, Inc. violated the Act's premerger waiting period requirements prior to their merger in January 2006. According to the complaint, after QUALCOMM and Flarion announced their proposed merger in July 2005, QUALCOMM obtained operational control over Flarion without observing the premerger waiting period requirements. The companies' merger agreement required Flarion to seek QUALCOMM's consent before undertaking certain basic business activities, such as making new proposals to customers. Further, although not required by the agreement, Flarion sought and followed QUALCOMM's guidance before undertaking routine activities, such as hiring consultants and employees. The complaint alleged that through the totality of their conduct, the parties had transferred beneficial ownership of Flarion's assets prior to expiration of the HSR Act waiting period, and that the Act prohibits such "gun jumping." Under the terms of a consent decree filed simultaneously with the complaint and entered by the Court on April 20, 2006, the companies agreed to pay a total of $1.8 million in civil penalties to settle the charges.

2. *Final Rules*

1. *Electronic Filings*

On June 23, 2006, the Commission, with the concurrence of the Assistant Attorney General, published a Notice of Final Rulemaking,[12] amending the HSR rules and the Instructions to the filing form to provide filing parties the option of submitting the filing form electronically via the Internet.

Previously, filing parties were required to submit to both the FTC and the Antitrust Division paper copies of their filing form and documentary attachments (with the exception of certain documents, such as Security Exchange Commission filings, that may be provided via Internet links). Under these final rules, filers now have three options: (1) submitting the filing

[9] 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).

[10] 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.

[11] United States v. QUALCOMM Incorporated and Flarion Technologies, Inc., No. 1:06CV00672 (D.D.C. filed April 13, 2006).

[12] 71 Fed. Reg. 35995 (June 23, 2006).

form and all attachments in hard copy; (2) submitting the electronic version of the filing form and all attachments electronically; or (3) submitting the electronic version of the filing form, while submitting all documentary attachments in paper copy.

In addition to providing benefits to the filing parties and the Agencies, electronic filing complies with the mandate of the Government Paperwork Elimination Act,[13] which requires that agencies, to the extent practicable, provide electronic filing and signature options.

During fiscal year 2006, two additional final rulemakings implemented other changes to the rules. One rulemaking,[14] effective December 30, 2005, revised the filing form and Instructions to update the base year for reporting revenues from 1997 to 2002 and require submission of revenue data identified by the 2002 North American Industry Classification System ("NAICS").

As discussed in detail in the fiscal year 2005 Annual Report, the other rulemaking,[15] effective January 11, 2006, enabled filing parties to provide Internet links to certain documents in lieu of paper copies, addressed "stale filing" situations in which parties make premerger notification filings but then fail to comply with a second request, and made several technical corrections required as a result of the rulemaking on non-corporate entities.[16]

Finally, fiscal year 2006 was the first full year under the non-corporate rule changes, which the Commission adopted on February 23, 2005. During the year, a total of 32 transactions that would not have been reportable prior to implementation of these final rules required HSR filings. As discussed in the fiscal year 2005 Annual Report, the Commission cannot fully quantify the number of newly non-reportable transactions exempted by the new and amended exemptions contained in that rulemaking, but based on data from previous years, the expansion of the intraperson exemption alone may roughly offset these additional filings.

2. *Threshold Adjustments*

The 2000 amendments to Section 7A require the Commission to publish adjustments to the Act's jurisdictional and filing fee thresholds annually, based on the change in the gross national product, in accordance with Section 8(a)(5) for each fiscal year beginning after September 30, 2004. The Commission in 2005 amended the rules to provide a method for future adjustments as required by the 2000 amendments and to reflect the revised thresholds in the examples contained in the rules. The revised thresholds are published annually in January and are effective 30 days after publication.

[13] Pub. L. 105-277, Title XVII (Oct. 21, 1998).

[14] 70 Fed. Reg. 77312 (December 30, 2005).

[15] 70 Fed. Reg. 73369 (December 12, 2005).

[16] 70 Fed. Reg. 11502 (March 8, 2005).

On January 18, 2006, the Commission published a notice[17] to reflect adjustment of reporting thresholds as required by the 2000 amendments[18] to Section 7A of the Clayton Act, 15 U.S.C. 18a. The revised thresholds became effective February 17, 2006.

MERGER ENFORCEMENT ACTIVITY[19]

1. *The Department of Justice*

During fiscal year 2006, the Antitrust Division challenged sixteen merger transactions that it concluded might have substantially lessened competition if allowed to proceed as proposed. In ten of these challenges, the Antitrust Division filed a complaint in U.S. district court. In eight of these ten matters, the Division settled the case by consent decree. In the other two instances, the transactions were abandoned by the parties after the complaint was filed. In the other six challenges to mergers during fiscal year 2006, when apprised of the Antitrust Division's concerns regarding their proposed transaction, the parties restructured the proposed transaction to avoid competitive problems.[20]

In *United States v. Cal Dive International, Inc.,et al.,*[21] the Division challenged Cal Dive International's proposed acquisition of saturation diving services assets from Stolt Offshore Inc. and S&H Diving LLC. The complaint alleged that the transaction, as originally proposed, would have resulted in price increases, as well as diminished services, for saturation diving services in the United States Gulf of Mexico, where Cal Dive and Stolt were two of only three major providers of such services. Saturation diving services are used for subsea construction projects, for inspection, maintenance and repair services, and for recovery and salvage after structures are damaged by weather or accident. The Division filed a proposed consent decree simultaneously with the complaint, settling the suit. Under the terms of the decree, Cal Dive was required to divest two vessels and a separate saturation diving system. The Court entered the consent decree on January 12, 2006.

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[17] 71 Fed. Reg. 2943 (January 18, 2006).

[18] 15 U.S.C. 18a(a). *See* Pub. L. 106-553, 114 Stat. 2762.

[19] 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.

[20] In all of these instances, the Division informed the parties of its concerns, but did not issue a press release: proposed acquisition of Oglebay Norton Company by American Steamship Company through its subsidiary GATX Corporation (self-unloading vessels/freight transportation vessels); General Dynamic's proposed acquisition of Anteon International Corporation (military ships); Raycom Media's proposed acquisition of The Liberty Corporation (radio stations); Glacier Bancorp, Inc.'s proposed acquisition of First Citizens Development Co. (banks); proposed acquisition of Century Theaters by Cinemark USA, Inc. (motion picture theaters); Toshiba Corporation's proposed acquisition of Westinghouse Electric UK Limited (nuclear power plants, nuclear assemblies, and nuclear services).

[21] United States v. Cal Dive International, Inc., Stolt Offshore S.A., Stolt Offshore, Inc. and S&H Diving, LLC, No. 1:05CV02041 (D.D.C. filed October 18, 2005).

In *United States v. SBC Communications Inc., et al.,*[22] the Division challenged the proposed acquisition of AT&T Corp. by SBC Communications. The complaint alleged that the transaction, as originally proposed, would have resulted in higher prices of telecommunications services for certain business customers in eleven metropolitan areas in SBC's franchised territory: Chicago, IL; Dallas-Fort Worth, TX; Detroit, MI; Hartford-New Haven, CT; Indianapolis, IN; Kansas City, MO; Los Angeles, CA; Milwaukee, WI; San Diego, CA; San Francisco-San Jose, CA; and St. Louis, MO. According to the complaint, SBC and AT&T were the only two firms that owned or controlled a direct wireline connection to certain buildings in those metropolitan areas. Therefore, in the absence of new entry, the merger would eliminate competition for facilities-based local private line service to those buildings. The Division filed a proposed settlement simultaneously with the complaint, requiring SBC to divest portions of certain local fiber-optic network facilities and connections to more than 350 buildings in its territory, to a single buyer in each of those cities, generally using long-term leases commonly used in the telecommunications industry, known as indefeasible rights of use or "IRUs." The Court entered the consent decree on March 29, 2007. The transaction was also subject to review by the Federal Communications Commission (FCC), and the Division coordinated with the FCC throughout its investigation.

Similarly, in *United States v. Verizon Communications, Inc., et al.,*[23] the Division challenged the proposed acquisition of MCI by Verizon Communications. The complaint alleged that the transaction, as originally proposed, would have resulted in higher prices of telecommunication services for certain business customers in eight metropolitan areas in Verizon's franchised territory: Baltimore, MD-Washington, D.C.; Boston, MA; New York, NY; Richmond, VA; Providence, RI; Tampa, FL; Philadelphia, PA; and Portland, ME. According to the complaint, Verizon and MCI were the only two firms that owned or controlled a direct wireline connection to hundreds of buildings in those metropolitan areas. The Division filed a proposed settlement simultaneously with the complaint, requiring Verizon to divest portions of certain local fiber-optic network facilities and connections to hundreds of buildings in its territory. As with the divestitures in *SBC Communications* described above, Verizon must divest the facilities and connections to a single buyer in each of those cities, using indefeasible rights of use. The Court entered the consent decree on March 29, 2007. Similarly, the transaction was also subject to review by the Federal Communications Commission (FCC) , and the Division coordinated with the FCC throughout its investigation.

In *United States v. UnitedHealth Group, Inc., et al.,*[24] the Division required UnitedHealth Group and PacifiCare Health Systems, Inc. to divest portions of PacifiCare's commercial health insurance business in Tucson, Arizona and Boulder, Colorado in order to proceed with their merger. The complaint alleged that the transaction, as originally proposed, likely would have resulted in higher prices and lower quality commercial health insurance plans.

[22] United States v. SBC Communications, Inc. and AT&T Corporation, No. 1:05CV02102 (D.D.C. filed October 27, 2005).

[23] United States v. Verizon Communications, Inc. and MCI, Inc., No. 1:05CV02103 (D.D.C. filed October 27, 2005).

[24] United States v. UnitedHealth Group, Inc. and PacifiCare Health Systems, Inc., No. 1:05CV02436 (D.D.C. filed December 20, 2005).

According to the complaint, United and PacifiCare were two of the three largest health plans in Tucson selling commercial health insurance to small-group employers, those with between two and 50 employees, and the transaction would have eliminated competition between them, likely enabling United to raise prices and reduce the quality of health insurance plans to small-group employers in Tucson. The complaint also alleged that the transaction would have given United the ability to lower the reimbursement rates of physicians in the Tucson and Boulder areas. This likely would have resulted in a reduction in the quantity or quality of physician services provided to patients. Further, the complaint alleged that United and Blue Shield of California had a close relationship, that PacifiCare and Blue Shield of California are among each other's principal competitors both for the sale of commercial health insurance and for the purchase of physician and hospital services, and that the merger would give United and Blue Shield opportunities and incentives to coordinate their competitive activities and could reduce competition between them if their close relationship continued. The Division filed a proposed consent decree simultaneously with the complaint, settling the suit. Under the terms of the consent decree, United is required to divest a percentage of PacifiCare's membership in the Tucson and Boulder markets to a viable competitor. Additionally, United must divest all of PacifiCare's small-group business in the Tucson area to a purchaser that will remain a viable competitor in the market. Finally, the decree calls for United to modify and, after one year, terminate its network access agreement with Blue Shield of California. On March 2, 2006, an amended final judgment and stipulation was filed by the Division, and thereafter, the Court entered the consent decree on May 23, 2006.

In *United States et al. v. Marquee Holdings, Inc. et al.,*[25] the Division, along with three states, required Marquee Holdings Inc. and LCE Holdings Inc., the holding companies for AMC Entertainment and Loews Cineplex Entertainment, respectively, to divest certain movie theater assets in order to proceed with their proposed multi-billion dollar merger. The complaint alleged that the transaction, as originally proposed, would have eliminated head-to-head competition between AMC and Loews, likely resulting in increased prices for tickets to first-run, commercial movies in sections of five major American cities: Boston, Chicago, Dallas, New York, and Seattle. A proposed consent decree settling the suit was filed simultaneously with the complaint. Under the terms of the decree, AMC and Loews must divest six specific theaters: two in Chicago, and one each in New York, Boston, Seattle and Dallas. The Court entered the consent decree on June 2, 2006.

In *United States v. Exelon Corporation et al.,*[26] the Division challenged the proposed $16 billion merger of Exelon Corporation and Public Service Enterprise Group Incorporated (PSEG). According to the complaint, the merger would have created one of the largest electricity companies in the United States and combined the assets of two of the largest competitors for electricity generation in the mid-Atlantic region. Together, the companies would have owned nearly half of the electricity generating capacity in the densely populated area encompassing

[25] United States and the State of Illinois and the State of New York and the Commonwealth of Massachusetts v. Marquee Holdings, Inc. and LCE Holdings, Inc., No. 1:05CV10722 (S.D. NY filed December 22, 2005).

[26] United States v. Exelon Corporation and Public Service Enterprise Group Inc., No. 1:06CV01138 (D.D.C. filed June 22, 2006).

eastern Pennsylvania, New Jersey, the District of Columbia, and parts of Maryland and Virginia. The combination of their assets would have enhanced the incentive and ability of the merged firm to raise wholesale electric prices. The Division filed a proposed consent decree simultaneously with the complaint. Although the transaction was later abandoned, under the terms of the proposed decree, the merged firm would have been required to divest six electricity plants – two in Pennsylvania and four in New Jersey – which in total provided more than 5,600 megawatts of generating capacity. The merged company would also have been required to obtain the prior approval of the Division before acquiring or obtaining control of any existing electricity plants in the mid-Atlantic region in the future. On September 28, 2006, the Division filed a notice of dismissal with the district court, noting that Exelon had formally abandoned its attempt to acquire PSEG and withdrawn its HSR filing for the transaction.

In *United States v. Inco Limited et al.*,[27] the Division filed suit to block the proposed $15 billion acquisition of Falconbridge Limited by Inco Limited. The complaint alleged that the transaction, as originally proposed, would have reduced the number of significant suppliers of high-purity nickel from three to two and substantially increased the likelihood that Inco would unilaterally increase the price of high-purity nickel to a significant number of customers. High-purity nickel is refined nickel of sufficient purity and chemical composition that it can be used in super alloys to make safety-critical parts such as the rotating parts of jet engines. The Division filed a proposed consent decree simultaneously with the complaint. The proposed decree required the divestiture of Falconbridge's Nikkelverk refinery in Kristiansand, Norway and the Falconbridge entities that market refined nickel. The decree specifically required that the refinery be divested to LionOre Mining International Limited, with which Inco had already negotiated agreements providing for the refinery's sale. The divestiture to LionOre, a company already involved in the mining and processing of nickel, would enable it to become a fully-integrated nickel producer. On September 18, 2006, the Division filed a notice of dismissal with the district court, noting that Inco had formally abandoned its attempt to acquire Falconbridge and had withdrawn its HSR filing for the transaction. Falconbridge was acquired by Xstrata, a Swiss mining company.

In *United States v. The McClatchy Company et al.*,[28] the Division required the McClatchy Company and Knight Ridder Inc. to divest the *St. Paul Pioneer Press* in order to proceed with their proposed multi-billion dollar newspaper merger. The complaint alleged that the transaction, as originally proposed, would have eliminated head-to-head competition between McClatchy and Knight Ridder and likely would have resulted in higher prices for advertisers and readers in the Minneapolis/St. Paul metropolitan area. According to the complaint, ownership of both the *Star Tribune* and *St. Paul Pioneer Press* would have given McClatchy control of the only two daily newspapers serving the cities of Minneapolis and St. Paul, Minnesota and the surrounding area. McClatchy's *Star Tribune* competes aggressively for advertisers and readers with Knight Ridder's *St. Paul Pioneer Press*, and competition between the two newspapers has resulted in lower prices and better quality news coverage for readers as well as lower advertising rates and better service for local advertisers. The proposed consent decree that the Division filed

[27] United States v. Inco Limited and Falconbridge Limited, No. 1:06CV01151 (D.D.C. filed June 23, 2006).

[28] United States v. The McClatchy Company and Knight-Ridder, Inc., No. 1:06CV01175 (D.D.C. filed June 27, 2006).

simultaneously with the complaint requires divestiture of the *St. Paul Pioneer Press*. The decree was entered by the Court on November 3, 2006.

In *United States v. Mittal Steel Company N.V.*,[29] the Division, on August 1, 2006, challenged Mittal Steel's $33 billion acquisition of Arcelor S.A. The complaint alleged that the acquisition, as originally proposed, would have substantially lessened competition in the market for tin mill products in the eastern United States. Tin mill products are finely rolled steel sheets normally coated with tin or chrome and are used primarily in the manufacture of sanitary food cans and general line cans used for aerosols, paints and other products. On May 12, 2006, the Division had reached an agreement with Mittal that allowed the Division to continue its investigation of the company's proposed acquisition of Arcelor. Under the agreement, in the event the Division determined that the combination of Mittal and Arcelor was likely to result in a substantial lessening of competition, Mittal would be required to divest Dofasco Inc., owned at the time by Arcelor, to ThyssenKrupp AG. The agreement also provided that, if Mittal was unable to divest Dofasco, Mittal had to divest certain alternative assets to a buyer acceptable to the Division. Thereafter, on August 1, 2006, the Division filed a complaint with accompanying consent decree. The proposed decree requires Mittal to use its best efforts to sell Dofasco. If Mittal is unable to sell Dofasco because Arcelor placed Dofasco in a Dutch trust, or "stichting," as a defensive measure when the Mittal tender offer was first announced, then the Divison can select either Mittal's Sparrows Point facility located near Baltimore, Maryland, or Mittal's Weirton facility located in Weirton, West Virginia, for divestiture. On February 20, 2007, the Division announced that it will require divestiture of the Sparrows Point facility. The Court entered the consent decree on May 23, 2007.

In *United States et al. v. ALLTEL Corporation, et al.*,[30] the United States and the State of Minnesota challenged the acquisition of Midwest Wireless Holdings LLC by ALLTEL Corporation. The complaint alleged that the acquisition, as originally proposed, would have resulted in higher prices, lower quality and diminished investment in network improvements for consumers of mobile wireless telecommunications services in four areas of Minnesota. ALLTEL and Midwest Wireless were regional mobile wireless telecommunications service providers serving many rural markets. Although the combination of the two regional providers gives the merged firm the benefit of having a larger service area footprint, the proposed transaction would have reduced competition in specific markets where ALLTEL and Midwest Wireless were each other's most significant competitors. The Division filed a proposed consent decree simultaneously with the complaint. Under the terms of the proposed decree, the merged firm must divest ALLTEL's mobile wireless telecommunications services business, including cellular spectrum and customers, in four Minnesota areas that are comprised of 28 counties. The Department coordinated with the FCC throughout its investigation, and the transaction was also subject to FCC review. The Court entered the consent decree on January 8, 2007.

During fiscal year 2006, the Division investigated two bank merger transactions for

[29] United States v. Mittal Steel Company, N.V., No. 1:06CV01360 (D.D.C. filed August 1, 2006).

[30] United States and the State of Minnesota v. ALLTEL Corporation and Midwest Wireless Holdings, LLC, No. 0:06CV03631 (D. Minn. filed September 7, 2006).

which divestiture was required prior to or concurrently with the acquisition. In those instances, a "not significantly adverse" letter conditioned upon a letter agreement between the parties and the Division was sent to the appropriate bank regulatory agency.[31]

On October 25, 2005, in *United States and Commonwealth of Kentucky v. Dairy Farmers of America, Inc. and Southern Belle Dairy Co., LLC,*[32] the Sixth Circuit reversed the district court's grant of summary judgment to Dairy Farmers of America (DFA) and remanded the case for trial. On October 2, 2006**,** the Division filed a proposed settlement that would restore competition for school milk contracts in 100 school districts in Kentucky and Tennessee by requiring divestiture of Southern Belle Dairy. The Court entered the consent decree on March 23, 2007.

2. *The Federal Trade Commission*

The Commission challenged sixteen transactions that it concluded would have lessened competition if allowed to proceed as proposed during fiscal year 2006,[33] leading to nine consent orders and seven abandonments.[34] Eight of the consent agreements accepted for public comment became final in fiscal year 2006; one became final in fiscal year 2007.

In *DaVita Inc.,*[35] the Commission charged that DaVita's proposed $3.1 billion acquisition of rival outpatient dialysis clinic operator Gambro Healthcare Inc. would have substantially lessened competition for outpatient dialysis services in thirty-five markets nationwide. According to the Commission's complaint, DaVita and Gambro were the second and third largest providers of outpatient dialysis services in the United States, respectively. The two companies were head-to-head competitors and accounted for a significant proportion of dialysis clinics and treatment stations in many local areas in the United States. Additionally, each of the relevant markets was highly concentrated and the proposed transaction would have likely resulted in monopolies for outpatient dialysis clinic services in 11 markets, a reduction in the number of providers from three to two in 13 other markets, and a significant increase in concentration in the remaining 11 markets. As a result, the proposed merger would have likely led to higher prices and diminished services for outpatient dialysis treatment services in the

[31] The two letters were: June 7, 2006, letter to Board of Governors of the Federal Reserve System regarding the application by BB&T Corporation, Winston-Salem, NC, to acquire First Citizens Bancorp, Cleveland, OH; and September 8, 2006 letter to the Board of Governors of the Federal Reserve System regarding the application by Glacier Bancorp, Inc., Kalispell, MT, to acquire Citizens Development Company, Billings, MT.

[32] *See* the Annual Report to Congress, Fiscal Years 2003, 2004 and 2005 for a description of this case and its previous history.

[33] To avoid double counting this report includes only those merger enforcement actions in which the Commission took its first public action during fiscal year 2006.

[34] The Commission did not make public statements about the transactions that were abandoned after the parties were told of the Commission's concerns about the proposed transactions.

[35] DaVita Inc., Docket No. C-4152 (issued October 3, 2005).

relevant markets. Under its order settling the matter, the Commission required DaVita to sell sixty-nine dialysis clinics and end two management services contracts in thirty-five markets across the United States.

In *Johnson & Johnson,*[36] the Commission challenged Johnson & Johnson's proposed $25.4 billion acquisition of Guidant Corporation alleging that the acquisition would have substantially lessened competition in three significant medical device product markets in the United States: drug eluting stents ("DESs"), used in treating coronary artery disease; endoscopic vessel harvesting ("EVH") devices, used in coronary artery bypass graft ("CABG") surgery; and proximal anastomotic assist devices ("AAD") used in beating heart CABG procedures. The Commission alleged in its complaint that each of the relevant product markets was highly concentrated. Johnson & Johnson and Boston Scientific were the only companies selling DESs in the United States, with only three other companies, including Guidant, poised to enter the market in the next two to three years. DESs are sold mounted on a delivery system used to deploy the DES to the blocked area of the coronary artery. Johnson & Johnson, Guidant, and Boston Scientific were the only companies with a license or access to the patent for the Rapid Exchange ("RX") delivery system, the most preferred delivery system by physicians. Furthermore, Johnson & Johnson and Guidant dominated the market for EVH devices, together accounting for almost one hundred percent of sales in the United States. Guidant was also the leader in the market for proximal AADs, and together with Johnson & Johnson accounted for over ninety-five percent of unit sales in the United States. The proposed transaction would have eliminated Guidant as the only likely potential competitor with the ability to offer a DES on an RX delivery system, resulting in increased prices and decreased innovation, created a monopoly in the market for EVH devices leading to increased prices and decreased innovation, and enabled the combined firm unilaterally to raise prices for proximal AADs. Under the consent agreement resolving the matter, Johnson & Johnson was required to grant to a third party a fully paid-up, non-exclusive, irrevocable license, enabling the third party to make and sell DESs with the RX delivery system, divest to a third party its EVH product line, and end its agreement to distribute Novare Surgical System, Inc.'s proximal AAD.

In *Teva Pharmaceutical Industries Ltd./IVAX Corporation,*[37] the Commission required divestitures before allowing Teva's proposed $7.4 billion acquisition of IVAX. The Commission charged that the merger would have substantially lessened competition in fifteen generic drug product markets in the United States. According to the complaint, following the proposed transaction, Teva would have become the world's largest generic pharmaceutical supplier. The companies overlapped in a number of generic pharmaceutical markets. In eleven of the generic products, TEVA and IVAX were two of a small number of suppliers offering the product. In each of these markets, there were a limited number of competitors, and in several markets, TEVA and IVAX were the only generic suppliers. In four product markets, both TEVA and IVAX had generic products either on the market or in development, and few firms were

[36] Johnson & Johnson, Docket No. C-4154 (issued December 21, 2005). On May 25, 2006, the Commission granted a petition filed by Johnson & Johnson setting aside this decision and order on the grounds that Johnson & Johnson terminated its acquisition agreement with Guidant, and Guidant was subsequently acquired by Boston Scientific (see page 17 of this report).

[37] Teva Pharmaceutical Industries Ltd./IVAX Corporation., Docket No. C-4155 (issued January 20, 2006).

capable of, and interested in, entering these markets. As a result, the proposed transaction likely would have eliminated important future competition in the relevant product markets, resulting in higher prices for consumers. Under the consent agreement, the companies were required to the sell the rights and assets needed to manufacture and market the relevant fifteen pharmaceutical products.

In *Allergan, Inc./Inamed Corporation,*[38] the Commission charged that the proposed $3.2 billion acquisition by Allergan of Inamed would have substantially lessened competition in the U.S. market for cosmetic botulinum toxins. According to the Commission's complaint, Allergan dominated the market with its product Botox, the only botulinum toxin product approved by the FDA for cosmetic indications. Inamed had planned to enter the market with its cosmetic botulinum toxin product Reloxin, which was licensed to Inamed from Ipsen Ltd. Thus, the proposed transaction would have combined the dominant U.S. supplier of botulinum toxin with the next likely entrant into the market. The combination of these two firms would have increased the likelihood that the combined entity would delay or forego the launch of the competing product, Reloxin, thereby delaying or eliminating price competition that would have resulted with the independent product's entry. Under the terms of the consent order resolving the matter, the Commission required the companies to return the rights to develop and distribute Reloxin to Ipsen.

In *Fresenius AG,*[39] the Commission ordered divestitures to resolve its charges that the proposed $3.5 billion acquisition by Fresenius of Renal Care Group, Inc. would have substantially lessened competition in the market for outpatient dialysis services in sixty-six geographic markets in the United States. According to the Commission's complaint, Fresenius and Renal Care were two of the three largest operators of clinics providing outpatient dialysis services in the United States. Post-acquisition, the combined firm likely would have been able to exercise unilateral market power in the relevant geographic markets, resulting in higher prices and reduced incentives to improve service or quality for outpatient dialysis services. Under the order, the Commission required Fresenius to sell ninety-one outpatient kidney dialysis clinics and financial interests in an additional twelve clinics.

In *Boston Scientific Corporation/Guidant Corporation,*[40] the Commission challenged Boston Scientific's proposed $27 billion acquisition of Guidant on the ground that it would have substantially lessened competition in the following product markets in the United States: drug eluting stents ("DESs"), percutaneous transluminal coronary angioplasty ("PTCA") balloon catheters, and coronary guidewires (all of which are used in treating coronary artery disease); and, implantable cardioverter defibrillators ("ICDs"), used in treating cardiac arrest due to abnormal heart rhythms. According to the Commission, the proposed transaction would have eliminated Guidant as the only potential competitor to Boston Scientific and Johnson & Johnson with the ability to offer a DES on a Rapid Exchange ("RX") delivery system. Boston Scientific

[38] Allergan, Inc./Inamed Corporation, Docket No. C-4156 (issued March 7, 2006).

[39] Fresenius AG, Docket No. C-4159 (issued March 30, 2006).

[40] Boston Scientific Corporation/Guidant Corporation, Docket No. C-4164 (issued July 21, 2006).

and Guidant were the only suppliers in the PTCA balloon catheter and coronary guidewire markets with substantial sales in the United States, and together, accounted for ninety percent and eighty-five percent of sales, respectively. Additionally, although Boston Scientific did not develop or sell ICD products, it had an option to acquire Cameron Healthcare Inc., which was developing an ICD that was on track to receive FDA approval in the future. As a result, Boston Scientific's option to acquire Cameron provided it access to non-public information of, and control over a potentially significant future competitor in the ICD market. Furthermore, each of the relevant product markets was highly concentrated and potential entry would not have been timely, likely or sufficient to offset the anticompetitive effects of the proposed merger. Under the order resolving the matter, the Commission required Boston Scientific and Guidant to divest all assets related to Guidant's vascular business, which includes, among other things, its DES development programs (including the RX delivery system patents) and its PTCS balloon catheter and coronary guidewire products and to reform certain contractual rights between Boston Scientific and Cameron to limit Boston Scientific's control over Cameron and the sharing of nonpublic information concerning its ICD product.

In *Hologic, Inc.*,[41] the Commission challenged Hologic's 2005 acquisition of assets of Fischer Imaging Corporation's mammography and breast biopsy businesses. The Commission alleged in its complaint that the acquisition substantially lessened competition in the U.S. market for the production and sale of prone stereotactic breast biopsy systems ("prone SBBSs"), used by doctors to conduct highly precise, minimally invasive breast biopsies using X-ray guidance. According to the complaint, Hologic and Fischer were the only significant suppliers of prone SBBSs in the United States, leaving Hologic as the virtual monopolist in the $40 million market. Prior to the acquisition, the parties had substantially equivalent shares of the market and directly competed on price, service, and product innovation. The only other competitor had minimal sales. As a result, the transaction increased Hologic's ability unilaterally to raise the price of prone SBBSs in the United States and reduced Hologic's incentive to invest in prone SBBS innovations and service improvements, thereby adversely affecting product innovation and service. To settle the Commission's charges, Hologic sold the Fischer prone SBBS assets to Siemens AG, a leader in the medical imaging business.

In *Linde AG/The BOC Group PLC*,[42] the Commission charged that Linde's proposed $14 billion acquisition of BOC would have substantially lessened competition in the market for the production of liquid oxygen and liquid nitrogen in eight locations across the United States, and in the worldwide market for bulk refined helium. According to the Commission's complaint, the markets for liquid oxygen and liquid nitrogen were highly concentrated, as Linde and BOC were two of only five companies supplying these products to customers in the relevant geographic markets. Additionally, Linde and BOC were two of only five suppliers in the world with access to bulk refined helium, and post-acquisition the combined firm would have become the largest supplier worldwide. The elimination of competition between Linde and BOC likely would have allowed the combined firm to exercise market power unilaterally, resulting in higher prices for such products in the relevant geographic markets. In its order resolving the matter, the

[41] Hologic, Inc., Docket No. C-4165 (issued August 9, 2006).

[42] Linde AG/The BOC Group PLC, Docket No. C-4163 (issued August 9, 2006).

Commission required Linde to sell air separation units and other assets related to the production of liquid oxygen and nitrogen in the relevant geographic markets, as well as to sell bulk refined helium assets (including helium source contracts, distribution assets, and customer contracts) to a Commission-approved buyer.

In *Dan L. Duncan, Epco, Inc., Texas Eastern Products Pipeline Company, LLC/TEPPCO Partners, L.P.*,[43] the Commission challenged Duncan's 2005 acquisition, through Epco, of TEPPCO, alleging that the acquisition substantially lessened competition in the market for salt dome storage for natural gas liquids ("NGLs") in Mont Belvieu, Texas. According to the Commission, the market for salt dome storage for NGLs in Mont Belvieu was highly concentrated, with Enterprise Products Partners, L.P., an Epco subsidiary, and TEPPCO being the two largest suppliers based on storage volumes; two other companies, Targa Resources, Inc. and Valero Energy Corporation, owned the remaining volume. Combined, Enterprise and TEPPCO accounted for approximately seventy percent of all commercially available salt dome volume in Mont Belvieu. Before the acquisition, Enterprise and TEPPCO competed directly for NGL salt dome storage volumes in Mont Belvieu based on price and service levels. Post-acquisition, the NGL salt dome storage concentration in Mont Belvieu significantly increased, leaving Duncan with ownership of a dominant share of storage volume and capacity. Thus, eliminating competition between the two leading NGL salt dome storage providers likely would have resulted in higher prices and reduced service for storage customers. To settle the charges, the Commission required TEPPCO to sell its interest in an NGL storage facility and associated assets to a Commission-approved buyer.

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 consider adequately 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 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.

[43] Dan L. Duncan, EPCO, Inc., Texas Eastern Products Pipeline Company, LLC/TEPPCO Partners, L.P., Docket No. 4173 (October 31, 2006).

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 to increase accessibility, promote transparency, and reduce the burden on the filing parties without compromising the agencies' ability to investigate and interdict proposed transactions that may substantially lessen competition.

LIST OF APPENDICES

Appendix A -	Summary of Transactions, Fiscal Years 1997 - 2006
Appendix B -	Number of Transactions Reported and Filings Received by Month for Fiscal Years 1997 - 2006

LIST OF EXHIBITS

Exhibit A -	Statistical Tables for Fiscal Year 2006, Presenting Data Profiling Hart-Scott-Rodino Premerger Notification Filings and Enforcement Interest

APPENDIX A

SUMMARY OF TRANSACTIONS

FISCAL YEARS 1997- 2006

APPENDIX A
SUMMARY OF TRANSACTION BY YEAR

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Transactions Reported	**3,702**	**4,728**	**4,642**	**4,926**	**2,376**	**1,187**	**1,014**	**1,454**	**1,695**	**1,768**
Filings Received[1]	**7,199**	**9,264**	**9,151**	**9,941**	**4,800**	**2,369**	**2,001**	**2,866**	**3,322**	**3,580**
Adjusted Transactions In Which A Second Request Could Have Been Issued[2]	3,438	4,575	4,340	4,749	2,237	1,142	968	1,377	1,610	1,746
Investigations in Which Second Requests Were Issued	**122**	**125**	**113**	**98**	**70**	**49**	**35**	**35**	**50**	**45**
FTC[3]	45	46	45	43	27	27	15	20	25	28
Percent[4]	1.3%	1.0%	1.0%	0.9%	1.2%	2.4%	1.5%	1.5%	1.6%	1.6%
DOJ[3]	77	79	68	55	43	22	20	15	25	17
Percent[4]	2.2%	1.7%	1.6%	1.2%	1.9%	1.9%	2.1%	1.1%	1.6%	1.0%
Transactions Involving a Request For Early Termination[5]	**3,363**	**4,323**	**4,110**	**4,324**	**2,063**	**1,042**	**700**	**1,241**	**1,385**	**1,468**
Granted[5]	2,513	3,234	3,103	3,515	1,603	793	606	943	997	1,098
Not Granted[5]	850	1,089	1,007	809	460	249	94	298	388	370

[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 §§ 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 §§ 7A(c)(6) and 7(c)(8) of the Act; and (3) transactions 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 present in most prior annual reports.

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

[4] Second Request investigations are a percentage of the total number of adjusted transactions. The total percentage reflected in Figure 2 may not equal the sum of reported component values due to rounding.

[5] These statistics are based on the date of the HSR filing, not the date action was taken on the request.

APPENDIX B

NUMBER OF TRANSACTIONS REPORTED

AND

FILINGS RECEIVED BY MONTH

FOR

FISCAL YEARS 1997 - 2006

APPENDIX B
TABLE 1. NUMBER OF TRANSACTIONS REPORTED BY MONTH FOR THE FISCAL YEARS 1997 - 2006

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
OCTOBER	296	424	333	376	360	89	77	93	143	130
NOVEMBER	332	387	359	428	451	105	104	127	160	148
DECEMBER	267	426	394	468	345	95	78	143	128	137
JANUARY	263	306	282	335	245	111	93	86	139	142
FEBRUARY	250	336	330	440	66	87	71	109	102	124
MARCH	315	392	427	455	120	109	74	138	122	150
APRIL	302	384	364	343	94	99	92	135	124	125
MAY	328	401	438	398	153	111	83	131	171	158
JUNE	319	442	445	494	190	88	80	122	153	172
JULY	389	435	444	351	94	121	86	123	120	141
AUGUST	318	427	434	446	163	97	85	135	170	186
SEPTEMBER	323	368	392	392	95	75	91	112	163	155
TOTAL	**3,702**	**4,728**	**4,642**	**4,926**	**2,376**	**1,187**	**1,014**	**1,454**	**1,695**	**1,768**

APPENDIX B
TABLE 2. NUMBER OF FILINGS RECEIVED[1] BY MONTH FOR FISCAL YEARS 1997 - 2006

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
OCTOBER	561	818	662	777	751	190	148	185	280	264
NOVEMBER	636	749	686	839	920	211	206	254	324	311
DECEMBER	521	836	785	922	686	183	150	280	246	264
JANUARY	514	614	548	677	499	224	179	168	268	285
FEBRUARY	483	650	658	867	144	174	146	209	201	266
MARCH	614	766	828	959	243	230	144	277	239	309
APRIL	599	763	719	695	188	203	182	251	244	274
MAY	640	787	851	859	296	212	168	267	338	311
JUNE	620	862	884	1,004	378	170	158	255	302	350
JULY	759	851	887	718	182	230	170	235	237	258
AUGUST	617	844	885	886	332	191	164	270	332	377
SEPTEMBER	635	724	758	738	181	151	186	215	311	311
TOTAL	7,199	9,264	9,151	9,941	4,800	2,369	2,001	2,866	3,322	3,580

[1] Usually, two filings are received, one from the acquiring person and one from the acquired person when the transaction is reported. However, there are some instances where a filing will be received for more than one acquiring and/or acquired person. 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.

EXHIBIT A

STATISTICAL TABLES

FOR

FISCAL YEAR 2006

DATA PROFILING HART-SCOTT-RODINO PREMERGER

NOTIFICATION FILINGS AND ENFORCEMENT INTERESTS

TABLE I
FISCAL YEAR 2006[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[5]	7	0.4%	0	0	0.0%	0.0%	0.0%	0	0	0.0%	0.0%	0.0%
50M - 100M	522	29.9%	41	20	7.8%	3.8%	11.6%	6	1	1.1%	0.2%	1.3%
100M - 150M	284	16.3%	31	11	10.9%	3.9%	14.8%	3	2	1.1%	0.7%	1.8%
150M - 200M	173	9.9%	17	9	9.8%	5.2%	15.0%	1	1	0.6%	0.6%	1.2%
200M - 300M	185	10.6%	26	13	14.0%	7.0%	21.0%	5	1	2.7%	0.5%	3.2%
300M - 500M	180	10.3%	24	9	13.3%	5.0%	18.3%	1	2	0.5%	1.1%	1.6%
500M - 1000M	185	10.6%	20	10	10.8%	5.4%	16.2%	4	3	2.2%	1.6%	3.8%
Over 1000M	210	12.0%	44	29	21.0%	13.8%	34.8%	8	7	3.8%	3.3%	7.1%
ALL TRANSACTIONS	1,746	100.0%	203	101	11.6%	5.8%	17.4%	28	17	1.6%	1.0%	2.6%

TABLE II
FISCAL YEAR 2006[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[5]	7	0.4%	0	0	0.0%	0.0%	0.0%	0	0	0.0%	0.0%	0.0%
LESS THAN 100	529	30.3%	41	20	13.5%	6.6%	20.1%	6	1	13.3%	2.2%	15.6%
LESS THAN 150	813	46.6%	72	31	23.7%	10.2%	33.9%	9	3	20.0%	6.7%	26.7%
LESS THAN 200	986	56.5%	89	40	29.3%	13.2%	42.5%	10	4	22.2%	8.9%	31.1%
LESS THAN 300	1,171	67.1%	115	53	37.8%	17.4%	55.3%	15	5	33.3%	11.1%	44.4%
LESS THAN 500	1,351	77.4%	139	62	45.7%	20.4%	66.1%	16	7	35.5%	15.5%	51.0%
LESS THAN 1000	1,536	88.0%	159	72	52.3%	23.7%	76.0%	20	10	44.4%	22.2%	66.6%
ALL TRANSACTIONS	1,746		203	101	66.8%	33.2%	100.0%	28	17	62.2%	37.8%	100.0%

TABLE III
FISCAL YEAR 2006[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	41	20	61	2.3%	1.1%	3.4%	20.2%	19.8%	13.5%	6.6%	20.1%
100M - 150M	31	11	42	1.8%	0.6%	2.4%	15.3%	10.9%	10.2%	3.6%	13.8%
150M - 200M	17	9	26	1.0%	0.5%	1.5%	8.4%	8.9%	5.6%	3.0%	8.6%
200M - 300M	26	13	39	1.5%	0.7%	2.2%	12.8%	12.9%	8.6%	4.3%	12.8%
300M - 500M	24	9	33	1.4%	0.5%	1.9%	11.8%	8.9%	7.9%	3.0%	10.9%
500M - 1000M	20	10	30	1.1%	0.6%	1.7%	9.9%	9.9%	6.6%	3.3%	9.9%
Over 1000M	44	29	73	2.5%	1.6%	4.1%	21.6%	28.7%	14.5%	9.5%	24.0%
ALL CLEARANCES	203	101	304	11.6%	5.8%	17.4%	100.0%	100.0%	66.8%	33.2%	100.0%

TABLE IV
FISCAL YEAR 2006[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	6	1	7	0.3%	0.1%	0.4%	1.1%	0.2%	1.3%	13.3%	2.2%	15.6%
100M - 150M	3	2	5	0.2%	0.1%	0.3%	1.1%	0.7%	1.8%	6.7%	4.4%	11.1%
150M -200M	1	1	2	0.1%	0.1%	0.2%	0.6%	0.6%	1.2%	2.2%	2.2%	4.4%
200M - 300M	5	1	6	0.3%	0.1%	0.4%	2.7%	0.5%	3.2%	11.1%	2.2%	13.3%
300M - 500M	1	2	3	0.1%	0.1%	0.2%	0.6%	1.1%	1.7%	2.2%	4.4%	6.7%
500M - 1000M	4	3	7	0.2%	0.2%	0.4%	2.2%	1.6%	3.8%	8.9%	6.7%	15.6%
Over 1000M	8	7	15	0.5%	0.4%	0.9%	3.8%	3.3%	7.1%	17.8%	15.6%	33.3%
ALL TRANSACTIONS	28	17	45	1.6%	1.0%	2.6%	1.6%	1.0%	2.6%	62.2%	37.8%	100.0%

TABLE V
FISCAL YEAR 2006[1]
ACQUISITIONS BY REPORTING THRESHOLD

THRESHOLD[6]	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS[3]				
	NUMBER	PERCENT	NUMBER		PERCENTAGE OF THRESHOLD GROUP			NUMBER		PERCENTAGE OF THRESHOLD GROUP		
			FTC	DOJ	FTC	DOJ	TOTAL	FTC	DOJ	FTC	DOJ	TOTAL
$50M (as adjusted)	84	4.8%	3	2	3.6%	2.4%	6.0%	0	0	0.0%	0.0%	0.0%
$100M (as adjusted)	117	6.7%	3	3	2.6%	2.6%	5.1%	0	1	0.0%	0.9%	0.9%
$500 M (as adjusted)	20	1.1%	3	0	15.0%	0.0%	15.0%	1	0	5.0%	0.0%	5.0%
25%	5	0.3%	1	0	20.0%	0.0%	20.0%	1	0	20.0%	0.0%	20.0%
50%	990	56.7%	132	71	13.3%	7.2%	20.5%	22	12	2.2%	1.2%	3.4%
ASSETS ONLY	530	30.4%	61	25	11.5%	4.7%	16.2%	4	4	0.8%	0.8%	1.6%
ALL TRANSACTIONS	1,746	100.0%	203	101	11.6%	5.8%	17.4%	28	17	1.6%	1.0%	2.6%

TABLE VI
FISCAL YEAR 2006[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	345	19.8%	30	13	8.7%	3.8%	12.5%	3	1	0.9%	0.3%	1.2%
50M - 100M	189	10.8%	28	8	14.8%	4.2%	19.0%	5	0	2.6%	0.0%	2.6%
100M - 150M	100	5.7%	11	2	11.0%	2.0%	13.0%	0	0	0.0%	0.0%	0.0%
150M - 200M	66	3.8%	9	5	13.6%	7.6%	21.2%	1	1	1.5%	1.5%	3.0%
200M - 300M	92	5.3%	13	7	14.1%	7.6%	21.7%	1	0	1.1%	0.0%	1.1%
300M - 500M	127	7.3%	11	7	8.7%	5.5%	14.2%	0	2	0.0%	1.6%	1.6%
500M - 1000M	150	8.6%	27	10	18.0%	6.7%	24.7%	6	5	4.0%	3.3%	7.3%
OVER 1000M	677	38.8%	74	49	10.9%	7.2%	18.1%	12	8	1.8%	1.2%	3.0%
ALL TRANSACTIONS	1,746	100.0%	203	101	11.6%	5.8%	17.3%	28	17	1.6%	1.0%	2.6%

TABLE VII
FISCAL YEAR 2006[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	275	15.8%	2	3	0.7%	1.1%	1.8%	0	0	0.0%	0.0%	0.0%
50M - 100M	56	3.2%	1	4	1.8%	7.1%	8.9%	1	0	1.8%	0.0%	1.8%
100M - 150M	48	2.7%	2	3	4.2%	6.3%	10.5%	0	1	0.0%	2.1%	2.1%
150M - 200M	35	2.0%	3	3	8.6%	8.6%	17.2%	0	0	0.0%	0.0%	0.0%
200M - 300M	103	5.9%	10	3	9.7%	2.9%	12.6%	1	0	1.0%	0.0%	1.0%
300M - 500M	105	6.0%	8	5	7.6%	4.8%	12.4%	1	1	1.0%	1.0%	2.0%
500M - 1000M	172	9.9%	23	15	13.4%	8.7%	22.1%	6	1	3.5%	0.6%	4.1%
0VER 1000M	789	45.2%	151	64	19.1%	8.1%	27.2%	19	14	2.4%	1.8%	4.2%
Sales Not Available[7]	163	9.3%	3	3	1.8%	1.8%	3.6%	0	0	0.0%	0.0%	0.0%
ALL TRANSACTIONS	1,746	100.0%	203	103	11.6%	5.8%	17.4%	28	17	1.6%	1.0%	2.6%

TABLE VIII
FISCAL YEAR 2006[1]
TRANSACTIONS BY ASSETS OF ACQUIRED ENTITIES

ASSET RANGE ($MILLIONS)	HSR TRANSACTIONS		CLEARANCE GRANTED TO FTC OR DOJ					SECOND REQUEST INVESTIGATIONS				
	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	123	7.0%	3	5	2.4%	4.1%	6.5%	1	0	0.8%	0.0%	0.8%
50M - 100M	46	2.6%	3	1	6.5%	2.2%	8.7%	0	0	0.0%	0.0%	0.0%
100M - 150M	71	4.1%	4	1	5.6%	1.4%	7.0%	0	0	0.0%	0.0%	0.0%
150M - 200M	41	2.3%	3	4	7.3%	9.8%	17.1%	0	1	0.0%	2.4%	2.4%
200M - 300M	83	4.8%	7	5	8.4%	6.0%	14.4%	2	0	2.4%	0.0%	2.4%
300M - 500M	116	6.6%	9	9	7.8%	7.8%	15.6%	0	1	0.0%	0.9%	0.9%
500M - 1000M	191	10.9%	18	9	9.4%	4.7%	14.1%	3	1	1.6%	0.5%	2.1%
0VER 1000M	1,045	59.9%	156	67	14.9%	6.4%	21.3%	22	14	2.1%	1.3%	3.4%
Assets Not Available[8]	30	1.7%	0	0	0.0%	0.0%	0.0%	0	0	0.0%	0.0%	0.0%
ALL TRANSACTIONS	1,746	100.0%	203	101	11.6%	5.8%	17.4%	28	17	1.6%	1.0%	2.6%

TABLE IX
FISCAL YEAR 2006[1]
TRANSACTIONS BY SALES OF ACQUIRED ENTITIES[9]

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	226	12.9%	22	8	9.7%	3.5%	13.2%	1	1	0.4%	0.4%	0.8%
50M - 100M	218	12.5%	20	14	9.2%	6.4%	15.6%	2	2	0.9%	0.9%	1.8%
100M - 150M	108	6.2%	7	4	6.5%	3.7%	10.2%	1	1	0.9%	0.9%	1.8%
150M - 200M	87	5.0%	7	2	8.0%	2.3%	10.3%	2	1	2.3%	1.1%	3.4%
200M - 300M	103	5.9%	15	6	14.6%	5.8%	20.4%	3	0	2.9%	0.0%	2.9%
300M - 500M	87	5.0%	9	7	10.3%	8.0%	18.3%	0	2	0.0%	2.3%	2.3%
500M - 1000M	74	4.2%	13	3	17.6%	4.1%	21.6%	3	0	4.0%	0.0%	4.0%
0VER 1000M	101	5.8%	19	12	18.8%	11.9%	30.7%	2	3	2.0%	3.0%	5.0%
Sales Not Available[10]	742	42.5%	91	45	12.3%	6.1%	18.4%	14	7	1.9%	0.9%	2.8%
ALL TRANSACTIONS	1,746	100.0%	203	101	11.6%	5.8%	17.4%	28	17	1.6%	1.0%	2.6%

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
111	AGRICULTURAL PRODUCTION - CROPS	0	0.0%	-0.1%	0	0	0	0	0	0
112	AGRICULTURAL PRODUCTION - LIVESTOCK AND ANIMAL SPECIALTIES	2	0.1%	-0.1%	0	0	0	0	0	0
113	LUMBER AND WOOD PRODUCTS, EXCEPT FURNITURE	2	0.1%	NC	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	32	1.8%	0.1%	1	0	1	0	0	0
212	MINING AND QUARRYING OF NONMETALLIC MINERALS, EXCEPT FUELS	16	0.9%	0.7%	0	1	1	0	0	0
213	DRILLING OIL AND GAS WELLS	11	0.6%	0.4%	0	0	0	0	0	0
221	ELECTRIC, GAS AND SANITARY SERVICES	52	3.0%	0.7%	3	4	7	1	0	1
233	BUILDING CONSTRUCTION – GENERAL CONTRACTORS AND OPERATIVE BUILDERS	1	0.1%	NC	0	0	0	0	0	0
234	HEAVY CONSTRUCTION OTHER THAN BUILDING CONSTRUCTION - CONTRACTORS	1	0.1%	-0.3%	0	0	0	0	0	0
235	CONSTRUCTION - SPECIAL GRADE CONTRACTORS	1	0.1%	-0.1%	0	0	0	0	0	0
236	CONSTRUCTION OF BUILDINGS	2	0.1%	NC	0	0	0	0	0	0
237	HEAVY AND CIVIL ENGINEERING CONSTRUCTION	6	0.3%	NC	0	0	0	0	0	0
238	SPECIALTY TRADE CONTRACTORS	4	0.2%	0.1%	0	0	0	0	0	0
311	FOOD AND KINDRED PRODUCTS	53	3.0%	1.4%	9	4	13	0	0	0

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
312	BOTTLED AND CANNED SOFT DRINKS AND CARBONATED DRINKS; AND CIGARETTE MANUFACTURING	13	0.7%	NC	2	0	2	0	0	0
313	TEXTILE MILL PRODUCTS	5	0.3%	0.2%	2	0	2	0	0	0
315	APPAREL AND OTHER FINISHED PRODUCTS MADE FROM FABRICS AND SIMILAR MATERIALS	3	0.2%	NC	1	0	1	0	0	0
316	LEATHER AND LEATHER PRODUCTS	0	0.0%	-0.1%	0	0	0	0	0	0
321	SAWMILLS	18	1.0%	0.6%	1	2	3	0	0	0
322	PAPER AND ALLIED PRODUCTS	10	0.6%	0.1%	0	1	1	0	0	0
323	COMMERCIAL LITHOGRAPHIC PRINTING	3	0.2%	-0.2%	0	0	0	0	0	0
324	PETROLEUM REFINING AND RELATED INDUSTRIES	5	0.3%	-0.1%	3	0	3	8	0	8
325	CHEMICALS AND ALLIED PRODUCTS	108	6.2%	-0.7%	43	0	43	6	0	6
326	RUBBER AND MISC. PLASTICS PRODUCTS	24	1.4%	-0.2%	6	0	6	0	0	0
327	STONE, CLAY, GLASS AND CONCRETE PRODUCTS	15	0.9%	0.2%	1	4	5	0	0	0
331	IRON AND STEEL MILLS	13	0.7%	-0.2%	1	0	1	0	0	0
332	FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND TRANSPORTATION EQUIPMENT	39	2.2%	1.2%	8	0	8	0	0	0
333	INDUSTRIAL AND COMMERCIAL MACHINERY AND COMPUTER EQUIPMENT	34	1.9%	0.5%	4	3	7	0	0	0

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	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	77	4.4%	0.3%	13	6	19	2	0	2
335	ELECTRONIC AND OTHER ELECTRICAL EQUIPMENT AND COMPONENTS, EXCEPT COMPUTER EQUIPMENT	7	0.4%	-0.8%	0	0	0	0	0	0
336	TRANSPORTATION EQUIPMENT	36	2.1%	-0.1%	7	2	9	2	0	2
337	HOME FURNITURE, FURNISHINGS AND EQUIPMENT STORES	4	0.2%	NC	0	0	0	0	0	0
339	MISCELLANEOUS MANUFACTURING INDUSTRIES	27	1.5%	0.4%	15	0	15	1	0	1
421	WHOLESALE TRADE - DURABLE GOODS	29	1.7%	-3.0%	3	2	5	0	1	1
422	WHOLESALE TRADE - NONDURABLE GOODS	20	1.1%	-3.2%	4	0	4	0	1	1
423	AUTOMOBILE AND OTHER MOTOR VEHICLE MERCHANT WHOLESALERS	72	4.1%	4.0%	9	6	15	1	2	3
424	PRINTING AND WRITING PAPER MERCHANT WHOLESALERS	51	2.9%	2.7%	4	3	7	1	1	2
425	BUSINESS TO BUSINESS ELECTRONIC MARKETS	1	0.1%	0.1%	0	0	0	0	0	0
441	AUTOMOTIVE DEALERS AND GASOLINE SERVICE STATIONS	14	0.8%	0.4%	0	0	0	0	0	0
442	FURNITURE STORES	5	0.3%	0.3%	1	0	1	0	0	0
443	MISCELLANEOUS REPAIR SERVICES	2	0.1%	NC	0	0	0	0	0	0

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	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	7	0.4%	0.3%	0	0	0	0	0	0
445	SUPERMARKETS AND OTHER GROCERY (EXCEPT CONVENIENCE) STORES	7	0.4%	0.3%	1	0	1	0	0	0
446	MISCELLANEOUS RETAIL	19	1.1%	0.9%	3	0	3	1	0	1
447	FOOD STORES	6	0.3%	-0.2%	2	0	2	1	0	1
448	APPAREL AND ACCESSORY STORES	6	0.3%	0.1%	0	0	0	0	0	0
451	SPORTING GOODS STORES	1	0.1%	-0.1%	1	0	1	0	0	0
452	GENERAL MERCHANDISE STORES	3	0.2%	NC	1	0	1	0	0	0
453	STATIONERY AND OFFICE SUPPLIES	1	0.1%	NC	0	0	0	0	0	0
454	HEATING OIL DEALERS AND LIQUEFIED PETROLEUM GAS	24	1.4%	0.2%	1	0	1	0	0	0
481	TRANSPORTATION BY AIR	3	0.2%	-0.4%	0	0	0	0	0	0
482	RAILROAD TRANSPORTATION	0	0.0%	NC	0	0	0	0	0	0
483	WATER TRANSPORTATION	6	0.3%	NC	0	2	2	0	2	2
484	MOTOR FREIGHT TRANSPORTATION AND WAREHOUSING	9	0.5%	-0.1%	0	0	0	0	0	0
485	LOCAL AND SUBURBAN TRANSIT AND INTERURBAN HIGHWAY PASSENGER TRANSPORTATION	2	0.1%	NC	0	0	0	0	0	0
486	PIPELINES, EXCEPT NATURAL GAS	17	1.0%	0.2%	5	0	5	1	0	1
488	AIR TRAFFIC CONTROL	14	0.8%	0.3%	1	0	1	0	0	0
492	COURIERS	0	0.0%	-0.1%	0	0	0	0	0	0
493	WAREHOUSING AND STORAGE	8	0.5%	0.3%	2	0	2	1	0	1

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
511	PRINTING, PUBLISHING AND ALLIED INDUSTRIES	111	6.4%	1.1%	5	17	22	0	4	4
512	MOTION PICTURES	15	0.9%	0.7%	0	3	3	0	0	0
513	COMMUNICATIONS	23	1.3%	-3.8%	1	2	3	0	1	1
514	ON-LINE SERVICES	8	0.5%	-1.0%	0	0	0	0	0	0
515	BROADCASTING (EXCEPT INTERNET)	24	1.4%	NC	0	2	2	0	0	0
516	INTERNET PUBLISHING AND BROADCASTING	2	0.1%	NC	1	0	1	0	0	0
517	TELECOMMUNICATIONS	37	2.1%	2.0%	1	3	4	0	1	1
518	INTERNET SERVICE PROVIDERS, WEB SEARCH PORTALS, AND DATA PROCESSING SERVICES	12	0.7%	0.6%	0	1	1	0	0	0
519	NEWS SYNDICATES	8	0.5%	0.5%	0	1	1	0	0	0
521	DEPOSITORY INSTITUTIONS	0	0.0%	NC	0	0	0	0	0	0
522	NONDEPOSITORY CREDIT INSTITUTIONS	46	2.6%	-0.2%	0	0	0	0	0	0
523	SECURITY AND COMMODITY BROKERS, DEALERS, EXCHANGES AND SERVICES	137	7.8%	-2.0%	0	1	1	0	0	0
524	INSURANCE CARRIERS	56	3.2%	0.6%	3	5	8	0	0	0
525	INSURANCE AGENTS, BROKERS AND SERVICE	24	1.4%	0.4%	0	0	0	0	0	0
531	LESSORS OF RESIDENTIAL BUILDINGS AND DWELLINGS	16	0.9%	0.4%	0	1	1	0	0	0
532	AUTOMOTIVE REPAIR, SERVICES AND PARKING	3	0.2%	-0.3%	1	0	1	0	0	0
533	LESSORS OF NONFINANCIAL INTANGIBLE ASSETS (EXCEPT COPYRIGHTED WORKS)	7	0.4%	0.1%	2	0	2	0	0	0

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
541	SERVICES -- BUSINESS, LEGAL, ENGINEERING, ACCOUNTING, RESEARCH, MANAGEMENT AND RELATED SERVICES	70	4.0%	-1.5%	4	9	13	0	2	2
551	HOLDING AND OTHER INVESTMENT OFFICES	7	0.4%	-1.5%	3	0	3	0	0	0
561	TRANSPORTATION SERVICES	27	1.5%	1.4%	2	0	2	0	0	0
562	SOLID WASTE COLLECTION	8	0.5%	-1.4%	0	4	4	0	1	1
611	EDUCATIONAL SERVICES	3	0.2%	-0.1%	0	0	0	0	0	0
621	HEALTH SERVICES	17	1.0%	-0.8%	5	4	9	0	0	0
622	GENERAL MEDICAL AND SURGICAL; PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS	22	1.3%	0.1%	6	2	8	1	0	1
623	NURSING AND RESIDENTIAL CARE FACILITIES	5	0.3%	NC	2	0	2	0	0	0
624	SOCIAL SERVICES	2	0.1%	NC	0	0	0	0	0	0
711	REAL ESTATE	1	0.1%	NC	0	1	1	0	0	0
713	AMUSEMENT AND RECREATION SERVICES	9	0.5%	0.3%	2	0	2	0	0	0
721	HOTELS, ROOMING HOUSES, CAMPS, AND OTHER LODGING PLACES	14	0.8%	0.6%	0	0	0	0	0	0
722	EATING AND DRINKING PLACES	14	0.8%	-0.3%	0	1	1	0	1	1
811	GENERAL AUTOMOTIVE REPAIR	7	0.4%	0.3%	0	1	1	0	0	0
812	PERSONAL SERVICES	4	0.2%	NC	2	0	2	1	0	1
813	MEMBERSHIP ORGANIZATIONS	0	0.0%	NC	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

TABLE X

FISCAL YEAR 2006[1]

INDUSTRY GROUP OF ACQUIRING PERSONS

3-DIGIT NAICS CODE[11]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[12]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]		
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL
999	**NONCLASSIFICABLE ESTABLISHMENTS**	56	3.2%	3.2%	4	3	7	0	0	0
000	**NOT AVAILABLE[13]**	0	0.0%	6.7%	0	0	0	0	0	0
	ALL TRANSACTIONS	1,746	100%		202	101	303	28	17	45

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					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	2	0.1%	0.1%	1	0	1	0	0	0	0
113	LUMBER AND WOOD PRODUCTS, EXCEPT FURNITURE	2	0.1%	-0.1%	0	0	0	0	0	0	2
114	FISHING, HUNTING AND TRAPPING	0	0.0%	NC	0	0	0	0	0	0	0
211	OIL AND GAS EXTRACTION	39	2.2%	0.1%	0	0	0	0	0	0	26
212	MINING AND QUARRYING OF NONMETALLIC MINERALS, EXCEPT FUELS	8	0.5%	-0.2%	2	0	2	0	0	0	7
213	DRILLING OIL AND GAS WELLS	7	0.4%	-0.3%	0	3	3	0	0	0	6
221	ELECTRIC, GAS AND SANITARY SERVICES	44	2.5%	-0.3%	4	6	10	1	0	1	33
233	BUILDING CONSTRUCTION – GENERAL CONTRACTORS AND OPERATIVE BUILDERS	0	0.0%	-0.1%	0	0	0	0	0	0	0
234	HEAVY CONSTRUCTION OTHER THAN BUILDING CONSTRUCTION - CONTRACTORS	1	0.1%	-0.1%	0	0	0	0	0	0	1
235	CONSTRUCTION - SPECIAL GRADE CONTRACTORS	2	0.1%	-0.1%	0	0	0	0	0	0	1
237	HEAVY AND CIVIL ENGINEERING CONSTRUCTION	6	0.3%	NC	0	0	0	0	0	0	4

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
238	SPECIALTY TRADE CONTRACTORS	5	0.3%	NC	0	0	0	0	0	0	4
311	FOOD AND KINDRED PRODUCTS	30	1.7%	0.1%	6	0	6	0	0	0	32
312	BOTTLED AND CANNED SOFT DRINKS AND CARBONATED DRINKS; AND CIGARETTE MANUFACTURING	7	0.4%	-0.7%	2	0	2	0	0	0	8
313	TEXTILE MILL PRODUCTS	3	0.2%	0.1%	1	0	1	0	0	0	2
315	APPAREL AND OTHER FINISHED PRODUCTS MADE FROM FABRICS AND SIMILAR MATERIALS	3	0.2%	0.1%	1	0	1	0	0	0	2
316	LEATHER AND LEATHER PRODUCTS	2	0.1%	0.1%	0	0	0	0	0	0	0
321	SAWMILLS	12	0.7%	0.1%	0	2	2	0	0	0	7
322	PAPER AND ALLIED PRODUCTS	14	0.8%	0.2%	0	0	0	0	0	0	6
324	PETROLEUM REFINING AND RELATED INDUSTRIES	4	0.2%	-0.4%	0	0	0	0	0	0	4
325	CHEMICALS AND ALLIED PRODUCTS	75	4.3%	-0.4%	29	0	29	8	0	8	53
326	RUBBER AND MISC. PLASTICS PRODUCTS	19	1.1%	-0.4%	0	1	1	0	0	0	13
327	STONE, CLAY, GLASS AND CONCRETE PRODUCTS	12	0.7%	0.5%	0	0	0	0	0	0	8
331	IRON AND STEEL MILLS	16	0.9%	-0.6%	1	3	4	0	0	0	6
332	FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND	25	1.4%	-0.5%	4	0	4	0	0	0	14

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
	TRANSPORTATION EQUIPMENT										
333	INDUSTRIAL AND COMMERCIAL MACHINERY AND COMPUTER EQUIPMENT	32	1.8%	0.5%	2	3	5	0	1	1	18
334	MEASURING, ANALYZING AND CONTROLLING INSTRUMENTS; PHOTOGRAPHIC, MEDICAL AND OPTICAL GOODS; WATCHES AND CLOCKS	57	3.3%	-1.0%	9	4	13	1	1	2	48
335	ELECTRONIC AND OTHER ELECTRICAL EQUIPMENT AND COMPONENTS, EXCEPT COMPUTER EQUIPMENT	6	0.3%	-3.9%	0	0	0	0	0	0	4
336	TRANSPORTATION EQUIPMENT	19	1.1%	-1.0%	3	2	5	2	0	2	15
337	HOME FURNITURE, FURNISHINGS AND EQUIPMENT STORES	2	0.1%	-0.1%	0	0	0	0	0	0	0
339	MISCELLANEOUS MANUFACTURING INDUSTRIES	22	1.3%	-0.2%	10	0	10	0	0	0	16
421	WHOLESALE TRADE - DURABLE GOODS	20	1.1%	-4.9%	4	1	5	1	1	2	10
422	WHOLESALE TRADE - NONDURABLE GOODS	11	0.6%	-3.8%	4	0	4	0	0	0	9
423	AUTOMOBILE AND OTHER MOTOR VEHICLE MERCHANT WHOLESALERS	61	3.5%	3.4%	8	2	10	1	1	2	45
424	PRINTING AND WRITING PAPER MERCHANT WHOLESALERS	39	2.2%	1.9%	5	3	8	1	1	2	34

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
425	WHOLESALE ELECTRONIC MARKETS AND AGENTS AND BROKERS	4	0.2%	NC	0	0	0	0	0	0	1
441	AUTOMOTIVE DEALERS AND GASOLINE SERVICE STATIONS	12	0.7%	0.6%	3	0	3	0	0	0	10
442	FURNITURE AND HOME FURNISHINGS STORES	2	0.1%	NC	1	0	1	0	0	0	1
443	MISCELLANEOUS REPAIR SERVICES	1	0.1%	-0.1%	0	0	0	0	0	0	1
444	BUILDING MATERIALS, HARDWARE, GARDEN SUPPLY, AND MOBILE HOME DEALERS	6	0.3%	0.3%	0	0	0	0	0	0	5
445	SUPERMARKETS AND OTHER GROCERY (EXCEPT CONVENIENCE) STORES	3	0.2%	NC	3	0	3	0	0	0	2
446	MISCELLANEOUS RETAIL	6	0.3%	-0.2%	1	0	1	0	0	0	6
447	FOOD STORES	4	0.2%	-0.4%	2	0	2	1	0	1	4
448	APPAREL AND ACCESSORY STORES	7	0.4%	-0.2%	0	0	0	0	0	0	3
451	SPORTING GOODS STORES	2	0.1%	-0.4%	1	0	1	0	0	0	1
452	GENERAL MERCHANDISE STORES	7	0.4%	-0.5%	1	0	1	0	0	0	3
453	STATIONERY AND OFFICE SUPPLIES	2	0.1%	NC	0	0	0	0	0	0	1
454	HEATING OIL DEALERS AND LIQUEFIED PETROLEUM GAS	13	0.7%	-0.2%	1	0	1	0	0	0	10
481	TRANSPORTATION BY AIR	3	0.2%	-0.4%	0	0	0	0	0	0	1

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
482	RAILROAD TRANSPORTATION	0	0.0%	NC	0	0	0	0	0	0	0
483	WATER TRANSPORTATION	4	0.2%	0.2%	0	2	2	0	2	2	4
484	MOTOR FREIGHT TRANSPORTATION AND WAREHOUSING	14	0.9%	0.5%	0	0	0	0	0	0	4
485	LOCAL AND SUBURBAN TRANSIT AND INTERURBAN HIGHWAY PASSENGER TRANSPORTATION	0	0.0%	-0.1%	0	0	0	0	0	0	0
486	PIPELINES, EXCEPT NATURAL GAS	17	1.0%	-0.1%	6	0	6	1	0	1	14
488	AIR TRAFFIC CONTROL	9	0.5%	-0.2%	1	0	1	0	0	0	9
492	COURIERS	0	0.0%	NC	0	0	0	0	0	0	0
493	WAREHOUSING & STORAGE	2	0.1%	NC	1	0	1	2	0	2	1
511	PRINTING, PUBLISHING AND ALLIED INDUSTRIES	86	4.9%	-0.6%	2	8	10	0	2	2	74
512	MOTION PICTURES	7	0.4%	-0.3%	0	1	1	0	0	0	9
513	COMMUNICATIONS	17	1.0%	-5.4%	1	2	3	0	1	1	11
514	ON-LINE SERVICES	11	0.6%	0.6%	0	0	0	0	0	0	6
517	TELECOMMUNICATIONS	30	1.7%	1.7%	1	3	4	0	1	1	25
518	INTERNET SERVICE PROVIDERS, WEB SEARCH PORTALS, AND DATA PROCESSING SERVICES	8	0.5%	0.5%	0	1	1	0	0	0	6
521	DEPOSITORY INSTITUTIONS	2	0.1%	0.1%	0	2	2	0	0	0	0
522	NONDEPOSITORY CREDIT INSTITUTIONS	32	1.8%	1.8%	0	0	0	0	0	0	25

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
523	SECURITY AND COMMODITY BROKERS, DEALERS, EXCHANGES AND SERVICES	46	2.6%	2.6%	0	1	1	0	0	0	35
524	INSURANCE CARRIERS	44	2.5%	2.5%	1	2	3	0	0	0	39
525	INSURANCE AGENTS, BROKERS AND SERVICE	3	0.2%	0.2%	0	0	0	0	0	0	1
531	LESSORS OF RESIDENTIAL BUILDINGS AND DWELLINGS	10	0.6%	0.6%	0	0	0	0	0	0	5
532	AUTOMOTIVE REPAIR, SERVICES AND PARKING	12	0.7%	0.7%	0	0	0	0	0	0	3
533	LESSORS OF NONFINANCIAL INTANGIBLE ASSETS (EXCEPT COPYRIGHTED WORKS)	8	0.5%	0.5%	2	0	2	0	0	0	7
541	ENGINEERING, ACCOUNTING, RESEARCH, MANAGEMENT AND RELATED SERVICES	85	4.9%	4.9%	7	10	17	0	2	2	44
551	HOLDING AND OTHER INVESTMENT OFFICES	1	0.1%	0.1%	0	0	0	0	0	0	0
561	TRANSPORTATION SERVICES	30	1.7%	1.7%	2	0	2	0	0	0	13
562	SOLID WASTE COLLECTION	8	0.5%	0.5%	0	4	4	0	1	1	4
611	EDUCATIONAL SERVICES	5	0.3%	0.3%	0	0	0	0	0	0	3
621	HEALTH SERVICES	20	1.1%	1.1%	4	0	4	0	0	0	11
622	GENERAL MEDICAL AND SURGICAL; PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS	16	0.9%	0.9%	6	0	6	1	0	1	16

Table XI
FISCAL YEAR 2006[1] INDUSTRY GROUP OF ACQUIRED ENTITIES

3-DIGIT NAICS CODE[12]	INDUSTRY DESCRIPTION	NUMBER[4]	PERCENT OF TOTAL	CHANGE FROM FY 2005[13]	CLEARANCE GRANTED TO FTC OR DOJ			SECOND REQUEST INVESTIGATIONS[3]			NUMBER OF 3-DIGIT INTRA-INDUSTRY TRANSACTIONS[14]
					FTC	DOJ	TOTAL	FTC	DOJ	TOTAL	
623	NURSING AND RESIDENTIAL CARE FACILITIES	7	0.4%	0.4%	3	0	3	0	0	0	3
624	SOCIAL SERVICES	5	0.3%	0.3%	0	0	0	0	0	0	1
711	REAL ESTATE	4	0.2%	0.2%	0	0	0	0	0	0	1
713	AMUSEMENT AND RECREATION SERVICES	9	0.5%	0.5%	1	0	1	0	0	0	4
721	HOTELS, ROOMING HOUSES, CAMPS, AND OTHER LODGING PLACES	17	1.0%	1.0%	1	0	1	0	0	0	11
722	EATING AND DRINKING PLACES	20	1.1%	1.1%	0	0	0	0	0	0	9
811	GENERAL AUTOMOTIVE REPAIR	6	0.3%	0.3%	0	0	0	0	0	0	4
812	PERSONAL SERVICES	8	0.5%	0.5%	3	0	3	1	0	1	2
813	MEMBERSHIP ORGANIZATIONS	0	0.0%	0.0%	0	0	0	0	0	0	0
923	ADMINISTRATION OF HUMAN RESOURCE PROGRAMS	0	0.0%	0.0%	0	0	0	0	0	0	0
924	ADMINISTRATION OF ENVIRONMENTAL QUALITY AND HOUSING PROGRAMS	0	0.0%	0.0%	0	0	0	0	0	0	0
999	NONCLASSIFICABLE ESTABLISHMENTS	0	0.0%	0.0%	0	0	0	0	0	0	0
000	NOT AVAILABLE[14]	463	26.5%	26.5%	52	35	83	7	3	10	3
	ALL TRANSACTIONS	1,746	100.0%		203	101	304	28	17	45	894

[1] Fiscal year 2006 figures include transactions reported between October 1, 2005 and September 30, 2006.

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

[3] These statistics are based on the date the Second Request was issued.

[4] During fiscal year 2006, 1,768 transactions were reported under the HSR Premerger Notification program. The smaller number 1,746 reflects the adjustments to eliminate the following types of transactions: (1) transactions reported under Section 7A(c)(6) and (c)(8), (transactions involving certain regulated industries and financial businesses); (2) transactions deemed 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 acquired persons).

[5] The total number of filings under $50M (as adjusted) submitted in Fiscal Year 2006 is corrective filings.

[6] In February 2001, legislation raised the size of transaction threshold from $15 million to $50 million with annual adjustments beginning in February 2005.

[7] 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.

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

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

[10] This category includes acquisition of newly-formed entities from which no sales were generated, and acquisitions of assets which produced no sales revenues during the prior year to filing the Notification and Report Form.

[11] 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 parties to Item 5 of the Premerger Notification and Report Form, effective July 1, 2001.

[12] This represents the deviation from the fiscal year 2005 percentage.

[13] This category includes transactions by newly-formed entities.

[14] The intra-industry transactions column identifies the number of acquisitions in which both the acquiring and acquired persons derived revenues from the same industry.