

February 4, 2002

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600 Pennsylvania Avenue, N.W.
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Gentlemen:

In the United States, two separate agencies -- the Antitrust Division of the Department of Justice, which is part of the Executive Branch, and the Federal Trade Commission, which is an independent agency -- have largely co-extensive authority to enforce the antitrust laws. As a result, to avoid duplication of effort and unnecessary burden of business, it is important that there be an efficient process for determining which agency will carry out any particular investigation and then enforce the law.

Historically, the division of responsibility and authority between the two agencies has been based on the recent experience of each agency in investigating practices and transactions in particular sectors of the economy, and the need not to interfere with an investigation or oversight of a decree already ongoing in the other agency. Generally the arrangement has worked well.

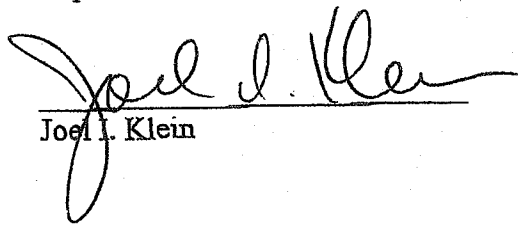
Nevertheless, there are instances when it is unclear which agency should investigate a particular matter. The most challenging of these involve mergers or joint ventures between parties from different sectors of the economy where each agency has valuable past experience and where each can legitimately claim involvement or familiarity with one of the merging firms. Because of the dynamic nature of the economy and globalization of trade, these "convergence mergers" have increased significantly in recent years.

When it is unclear which agency would be most efficient in reviewing a particular transaction, there is often a delay -- on average less than two weeks but sometimes as much as 30 days -- while the proper assignment of the matter is worked out. These delays potentially impair effective antitrust enforcement and can be costly or otherwise harmful to the parties involved.

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As we understand the current proposal to modify the clearance process, it would clarify historical allocations of industries and products between the agencies, and introduce clear procedures for processing those few matters that do not clearly fall within existing allocations. These are desirable objectives and could be a real contribution to good government.

We want to be clear that we take no position on whether the assignments and reassignments in the draft proposal are appropriate in light of the past experience and expertise of each agency and the future of effective antitrust enforcement. But as individuals formerly responsible for federal antitrust enforcement, we applaud this effort at clarification of areas of responsibility between the two agencies.



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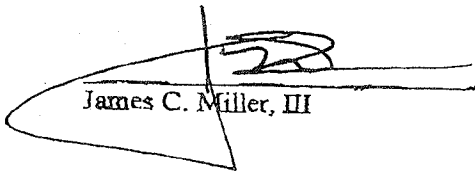
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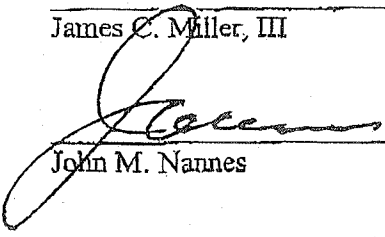
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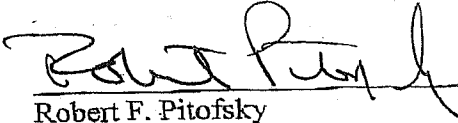
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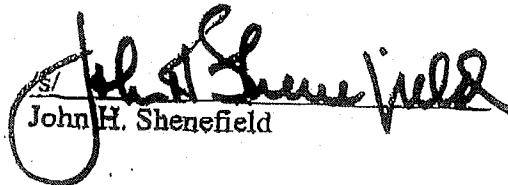
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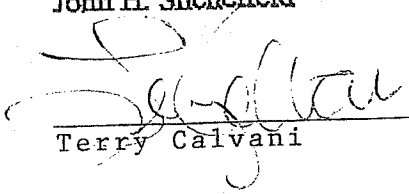
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