

Board of Governors of the Federal Reserve System, March 31, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 98-8855 Filed 4-3-98; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL RESERVE SYSTEM

Formations of, Acquisition by, and Mergers of Bank Holding Companies; Correction

This notice corrects a notice (FR Doc. 98-4582) published on pages 9233 and 9234 of the issue for Tuesday February 24, 1998.

Under the Federal Reserve Bank of Chicago heading, the entry for First Midwest Bancorp, Itasca, Illinois, is revised to read as follows:

A. Federal Reserve Bank of Chicago (Philip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1413:

1. *First Midwest Bancorp, and First Midwest Acquisition Corporation*, both of Itasca, Illinois; to acquire 100 percent of the voting shares of Heritage Financial Services, Inc., Tinley Park, Illinois, and thereby indirectly acquire Heritage Bank, Blue Island, Illinois, and First National Bank of Lockport, Lockport, Illinois.

In connection with this application, Applicant also has applied to acquire Heritage Trust Company, Tinley Park, Illinois, and thereby engage in performing trust company operations, pursuant to § 225.28(b)(5) of the Board's Regulation Y. First Midwest Acquisition Corporation also has applied to become a bank holding company.

Comments on this application must be received by April 9, 1998.

Board of Governors of the Federal Reserve System, March 31, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 98-8856 Filed 4-3-98; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies; Correction

This notice corrects a notice (FR Doc. 98-8280) published on pages 15420 and 15421 of the issue for Wednesday, March 31, 1998.

Under the Federal Reserve Bank of Kansas City heading, the entry for Hall Properties, LP, Perry Oklahoma, is revised to read as follows:

A. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice

President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *Hall Properties, LP, Perry, Oklahoma*; to acquire and additional 13.40 percent, for a total of 40 percent, of the voting shares of Perry Bancshares, Inc., Perry, Oklahoma, and thereby indirectly acquire Exchange Bank & Trust Company, Perry, Oklahoma.

Comments on this application must be received by April 24, 1998.

Board of Governors of the Federal Reserve System, April 1, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 98-8947 Filed 4-3-98; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

Sunshine Act Meeting

TIME AND DATE: 10:00 a.m. (edt) April 13, 1998.

PLACE: 4th Floor, Conference Room 4506, 1250 H Street, N.W., Washington, D.C.

STATUS: Open.

MATTERS TO BE CONSIDERED:

1. Approval of the minutes of the March 9, 1998, Board member meeting.
2. Thrift Savings Plan activity report by the Executive Director.
3. Review of Arthur Andersen annual financial audit.

CONTACT PERSON FOR MORE INFORMATION: Thomas J. Trabucco, Director, Office of External Affairs, (202) 942-1640.

Dated: April 1, 1998.

Roger W. Mehle,

Executive Director, Federal Retirement Thrift Investment Board.

[FR Doc. 98-9009 Filed 4-1-98; 4:48 pm]

BILLING CODE 6760-01-M

FEDERAL TRADE COMMISSION

[File No. 971-0004]

Associated Octel Company L., et al. and Ethyl Corp; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed Consent Agreements

SUMMARY: The two consent agreements in these matters settle alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaints that accompany the consent agreements and the terms of the

consent orders—embodied in the consent agreements—that would settle these allegations.

DATES: Comments must be received on or before June 5, 1998.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: Michael Antalics or Geoffrey Green FTC/S-2627, Washington, DC 20580. (202) 326-2821 or 326-2641.

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreements containing consent orders to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, have been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreements, and the allegations in the complaints. An electronic copy of the full text of the consent agreement packages can be obtained from the FTC Home Page (for March 31, 1998), on the World Wide Web, at "http://www/ftc/gov/os/actions97.htm." A paper copy can be obtained from the FTC Public Reference Room, room H-130, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Proposed Consent Orders to Aid Public Comment

The Federal Trade Commission has accepted agreements to proposed consent orders from The Associated Octel Company Ltd. ("Octel") and its parent corporation, Great Lakes Chemical Corporation ("Great Lakes"), and from Ethyl Corporation ("Ethyl"). Octel has its principal place of business in Ellsemere Port, England. Great Lakes has its principal place of business in West Lafayette, Indiana. Ethyl has its principal place of business in Richmond, Virginia.

The proposed consent orders have been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record.

After sixty (60) days, the Commission will again review the agreements and the comments received, and decide whether it should withdraw from the agreements or make final the agreements' proposed orders.

The complaint alleges that Octel, Great Lakes, and Ethyl (collectively referred to as "respondents") have engaged in acts and practices that have unreasonably restrained competition in the manufacture and sale of lead antiknock compounds in violation of Section 5 of the Federal Trade Commission Act. Lead antiknock compounds are gasoline additives that contain tetraethyl or tetramethyl lead, and that increase the octane rating of gasoline.

The complaint alleges that until 1994, Octel and Ethyl were the two largest manufacturers of lead antiknock compounds in the world. Between October 1993 and March 1994, respondents entered into a series of contracts, agreements, and understandings—written and unwritten—regarding the manufacturer, distribution, and sale of lead antiknock compounds. According to the complaint, among the important undertakings are the following:

(a) Ethyl agreed to cease manufacturing lead antiknock compounds.

(b) Octel agreed to supply to Ethyl each year, for re-sale, a limited volume of lead antiknock compounds at a discount price.

(c) Octel and Ethyl agreed that the maximum volume of lead antiknock compounds supplied to Ethyl each year would be a fixed portion of Octel's annual capacity to manufacture compounds, but left Octel free to reduce that capacity unilaterally.

(d) Octel and Ethyl agreed that the price of lead antiknock compounds purchased by Ethyl for re-sale to customers in the United States and certain other countries would be adjusted each year, depending upon the change in the average sale price charged by Octel to retail customers located in the United States and certain other countries, thus giving Octel the means to influence Ethyl's costs (and therefore its price) by raising its own price.

(e) Octel agreed to notify Ethyl each year of the change in the average sale price charged by Octel to retail customers located in the United States and certain other countries.

(f) Octel agreed to cease the bulk shipping of lead antiknock compounds, and to transfer to Ethyl certain ocean going vessels dedicated to transporting lead antiknock compounds.

(g) Ethyl agreed to provide to Octel all bulk shipping services required by Octel for the distribution of lead antiknock compounds.

The complaint further alleges that in March 1994, Ethyl closed its manufacturing operation in Sarnia, Canada—the company's only facility for the production of lead antiknock compounds.

Finally, the complaint alleges that the effect of respondents' concerted decision to close the Sarnia manufacturing facility, together with certain terms of respondents' supply agreement, is to increase the likelihood of coordinated interaction among sellers of lead antiknock compounds, to increase prices, and to injure consumers.

The quantity and price terms of the supply agreement are of serious concern to the Commission. As Ethyl has closed its facility for manufacturing lead antiknock compounds, the company's potential sales volume is artificially capped by the supply agreement, and is subject to manipulation by Octel. Given this arrangement, Ethyl's ability to expand its output is diminished. And if Ethyl cannot expand its output, then it has no incentive to reduce its prices.

The wholesale price term adopted by the parties (tying the Octel-to-Ethyl transfer price to changes in Octel's retail price) enhances Octel's incentive to increase its own retail prices. The reason is the Ethyl increases its payments to Octel as and to the extent that Octel increases its prices to refiners.¹

Finally, in order to implement the price term, Octel discloses to Ethyl any changes in its average retail price. This disclosure of information may reduce uncertainty in an oligopolistic market and thus facilitate coordinated interaction.

Octel, Great Lakes, and Ethyl have signed consent agreements containing the proposed consent orders. The proposed consent orders require respondents to modify the contract under which Octel supplies lead antiknock compounds to Ethyl.² Octel would be obligated to provide Ethyl with whatever volumes Ethyl requires for resale to U.S. customers. The

¹ In *American Cyanamid*, Docket No. C-3739 (May 12, 1997), the Commission determined that an incentive payment tied to higher retail prices was anticompetitive where the parties were in a purely vertical relationship: American Cyanamid made rebate payments to dealers that charged higher prices. An incentive payment between horizontal competitors, as here, is even more dangerous to competition.

² The Commission has determined that it is not practicable to order Ethyl to re-open its Sarnia facility.

elimination of the artificial cap on Ethyl's output should enhance Ethyl's incentives to price aggressively.³

The proposed consent orders also require respondents to modify the price term of the supply agreement so that (i) the price of product available to Ethyl for resale in the United States is not tied to changes in Octel's retail price, and (ii) the price of product available to Ethyl for resale outside of the United States is not tied to changes in Octel's retail price in the United States. The transfer price is thus de-coupled from Octel's retail price, thereby eliminating the anticompetitive incentives discussed above.

Octel and Ethyl will negotiate a new transfer price for lead antiknock additives. If the transfer price is too high (relative to the price at which Ethyl could self-manufacture product), then prices to consumers may likewise be supra-competitive. The proposed remedy relies upon Ethyl's incentive to negotiate the lowest possible price.⁴

The proposed consent orders provide that the new transfer price adopted by the parties may not be structured such that the unit price increases if Ethyl purchases greater volumes of lead antiknock additives from Octel. The prohibited pricing mechanism, a "volume penalty," would deter output expansion by Ethyl and thus restrain competition. Indeed, a volume penalty could have the same effect upon Ethyl as an artificial cap on the quantity of product available to Ethyl.⁵

The proposed consent orders also would prohibit Octel and Ethyl from disclosing to one another information regarding historical, current, or future prices for lead antiknock compounds sold to customers located in the United States.

In addition, the proposed consent orders would require respondents to provide the Commission with notice in

³ This order provision would not diminish the volume of lead antiknock compounds available to Ethyl from Octel for resale outside of the United States.

⁴ Ethyl's incentive to seek a low transfer price would be compromised if the company could recoup high payments by receiving a side payment from Octel, perhaps by means of a separate transaction. In theory, the bulk transportation agreement between Octel and Ethyl offers an opportunity for such recoupment. However, as long as the fee that Octel will pay Ethyl for transportation services is regulated by the parties' contract dated March 25, 1994, there is no danger of side payments through this mechanism.

The alternative to permitting the parties to negotiate a new transfer price is to have the Commission set the transfer price. Generally, the Commission does not regulate prices.

⁵ As noted above, the proposed consent orders would require respondents to eliminate the artificial cap that is included in the original Octel-Ethyl supply agreement.

advance of acquiring the assets or securities of any firm engaged in the distribution of lead antiknock compounds in the United States, or the manufacture of lead antiknock compounds anywhere in the world. The prior notice obligation would also apply to the sale of lead antiknock compounds to a competing manufacturer, as such a transaction may be used to induce the rival to exit from manufacturing.

The purpose of this analysis is to facilitate public comment on the proposed orders, and it is not intended to constitute an official interpretation of the agreements and proposed orders or to modify in any way their terms.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 98-8920 Filed 4-3-98; 8:45 am]

BILLING CODE 6750-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30DAY-11-98]

Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) publishes a list of information collection requests under review by the Office of Management and Budget (OMB) in compliance with the Paperwork Reduction Act (44 U.S.C.

Chapter 35). To request a copy of these requests, call the CDC Reports Clearance Officer at (404) 639-7090. Send written comments to CDC, Desk Officer; Human Resources and Housing Branch, New Executive Office Building, Room 10235; Washington, DC 20503. Written comments should be received within 30 days of this notice.

Proposed Projects

1. The Fourth National Health and Nutrition Examination Survey (NHANES IV)—(0920-0237)—Reinstatement—The National Health and Nutrition Examination Survey (NHANES) has been conducted periodically since 1970 by the National Center for Health Statistics, CDC. NHANES IV is planned for 1998-2004 to include 40,000 sample persons. They will receive an interview and a physical examination. A pretest of 400 people and a dress rehearsal of 555 are needed to test the sampling process, data collection procedures, computer-assisted personal interviews (including translations into Spanish), examination protocols, automated computer systems and quality control procedures. Participation in the pretest and the full survey will be completely voluntary and confidential.

NHANES programs produce descriptive statistics which measure the health and nutrition status of the general population. Through the use of questionnaires, physical examinations, and laboratory tests, NHANES studies the relationship between diet, nutrition and health in a representative sample of

the United States. NHANES monitors the prevalence of chronic conditions and risk factors related to health such as coronary heart disease, arthritis, osteoporosis, pulmonary and infectious diseases, diabetes, high blood pressure, high cholesterol, obesity, smoking, drug and alcohol use, environmental exposures, and diet. NHANES data are used to establish the norms for the general population against which health care providers can compare such patient characteristics as height, weight, and nutrient levels in the blood. Data from future NHANES can be compared to those from previous NHANES to monitor changes in the health of the U.S. population. NHANES IV will also establish a national probability sample of genetic material for future genetic testing for susceptibility to disease.

Users of NHANES data include Congress; the World Health Organization; Federal agencies such as NIH, EPA, and USDA; private groups such as the American Heart Association; schools of public health; private businesses; individual practitioners; and administrators. NHANES data are used to establish, monitor, and evaluate recommended dietary allowances, food fortification policies, programs to limit environmental exposures, immunization guidelines and health education and disease prevention programs. The burden hour estimate in this notice is based on the request for OMB approval for the pretest, dress rehearsal and the first 2.25 years of the full survey. Total annual burden hours are 42,411.

	Annualized number of respondents	Number of responses/respondent	Hours as minutes	Average burden/response (in hrs.)	Total burden (in hrs.)
Screener only	13467	1	10/60	0.167	2249
Scrn/Fam only	710	1	26/60	0.434	308
Scrn/Fam/HH only	1066	1	366/60	6.101	1604
Scrn/Fam/HH/Prim. Mec exam only (no TB)*	263	1	366/60	6.101	1604
Scrn/Fam/HH/Prim. Mec+TB read at Mec*	2366	1	436/60	7.268	17193
Scrn/Fam/HH/Prim. Mec+TB read at home*	2628	1	371/60	6.184	16254
Full replicate exam at Mec & travel	263	1	300/60	5.000	1314
Replicate dietary recall only (5%) & travel	263	1	105/60	1.750	460
Additional dietary recall option (extra 15%)	789	1	105/60	1.750	1380
Scrn/Fam/HH/Home exam (no TB)	7	1	116/60	1.931	14
Scrn/Fam/HH/Home exam (TB read at home)	64	1	161/60	2.681	17
Telephone followup of elderly-option	1165	1	15/60	0.250	291

* NOTE: Burden hours per response for full participation = 6.6 hrs. including travel time, are based on these three categories only. It would be misleading to tell respondents what the burden is for full participation if other categories were included which would reduce the average burden hours per respondent, such as the 10-minute screener-only or home exam.

- Scrn = Screener questionnaire
- Fam = Family questionnaire
- HH = Household questionnaire
- Prim.Mec = Primary Mec exam
- TB = Tuberculosis skin test reading.

2. Sentinel Surveillance for Chronic Liver Disease—New—A questionnaire

has been designed to collect information for the Sentinel Surveillance for Chronic

Liver Disease project. The purpose of the project is to determine the incidence