

Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than May 12, 1997.

A. Federal Reserve Bank of Cleveland (Jeffrey Hirsch, Banking Supervisor) 1455 East Sixth Street, Cleveland, Ohio 44101-2566:

1. *First Federal Financial Services Corp.*, Wooster, Ohio; to become a bank holding company by acquiring 100 percent of the voting shares of First Federal Bank, N.A., Wooster, Ohio (formerly known as First Federal Savings and Loan Association of Wooster).

In connection with this application, Applicant also has applied to acquire Mobile Consultants, Inc., Wooster, Ohio, and thereby engage in the origination of consumer, non-mortgage loans to the manufactured home industry, pursuant to § 225.28(b)(1) of the Board's Regulation Y, and in the collection and recovery of troubled loans for financial institutions that originate loans to manufactured home loans, pursuant to § 225.28(b)(2) of the Board's Regulation Y.

2. *First Federal Financial Services Corp.*, Wooster, Ohio; to merge with Summit Bancorp, Inc., Akron, Ohio, and thereby indirectly acquire Summit Bank, Akron, Ohio.

In connection with this application, Applicant also has applied to acquire Summit Banc Investment Corporation, Akron, Ohio, and thereby engage in investment advisory and securities brokerage activities, including the sale of annuities pursuant to a dual employee arrangement, pursuant to §§ 225.28(b)(6) and (15) of the Board's Regulation Y.

B. Federal Reserve Bank of Atlanta (Lois Berthaume, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303-2713:

1. *First Security Corporation Employee Stock Ownership Plan*, Norcross, Georgia; to become a bank holding company by acquiring an additional 6.7 percent, for a total of 31.6 percent of the voting shares of First Security Corporation, Norcross, Georgia, and thereby indirectly acquire First Security National Bank, Norcross, Georgia.

Board of Governors of the Federal Reserve System, April 22, 1997.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 97-10843 Filed 4-25-97; 8:45 am]

BILLING CODE 6712-01-F

FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. Once the notice has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than May 12, 1997.

A. Federal Reserve Bank of New York (Christopher J. McCurdy, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. *Commerzbank AG, Frankfurt, (Main)*, Federal Republic of Germany; to acquire through Commerzbank Asset Management USA Corporation and CAM Acquisitions, LLC, Montgomery Asset Management, LLC, San Francisco, California, and thereby indirectly engage in financial and investment advisory activities, pursuant to § 225.28(b)(6) of the Board's Regulation Y; in agency transactional services for customer investments, including securities brokerage services, pursuant to § 225.28(b)(7) of the Board's Regulation Y; and in the provision of certain administrative services for investment companies, including those previously found to be permissible by Board order. With respect to administrative services for mutual funds, see *The Governor and Company of the Bank of Ireland*, 83 Fed. Res. Bull. 1129 (1996); *Dresdner Bank AG*, 83 Fed. Res. Bull. 676 (1996); *Barclays Banks PLC*, 82 Fed. Res. Bull. 158 91996); *Mellon Bank Corporation*, 79 Fed. Res.

Bull. 626 (1993). With respect to mutual fund transfer agency services, see 12 CFR 225.125(i).

2. *Deutsche Bank, AG (Main)*, Federal Republic of Germany; to acquire through Deutsche Financial Services Corporation, St. Louis, Missouri, Ganis Credit Corporation, Newport Beach, California, and thereby engage in the making and servicing of loans, pursuant to § 225.28(b)(1) of the Board's Regulation Y.

3. *The Industrial Bank of Japan, Ltd.*, Tokyo, Japan, to engage *de novo* through its subsidiary, Aubrey G. Lanston & Co., Inc., New York, New York, in securities brokerage, pursuant to § 225.28(b)(7)(i) of the Board's Regulation Y; in riskless principal transactions, pursuant to § 225.28(b)(7)(ii) of the Board's Regulation Y; in private placement services, pursuant to § 225.28(b)(7)(iii) of the Board's Regulation Y; in other transactional services, pursuant to § 225.28(b)(7)(v); in data processing, pursuant to § 225.28(b)(14) of the Board's Regulation Y; in financial and investment advisory activities, pursuant to § 225.28(b)(6) of the Board's Regulation Y; in futures commission merchant activities, pursuant to § 225.28(b)(7)(iv) of the Board's Regulation Y; in underwriting and dealing in government obligations and money market instruments, pursuant to § 225.28(b)(8)(i) of the Board's Regulation Y; in investing and trading in (a) foreign exchange, and in (b) forward contracts, options, futures, options on futures, swaps, and similar contracts, whether traded on exchanged or not, based on any rate, price, financial asset, nonfinancial asset, or group of assets, pursuant to § 225.28(b)(8)(ii) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, April 22, 1997.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 97-10842 Filed 4-25-97; 8:45 am]

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FEDERAL TRADE COMMISSION

Comment and Hearings on Joint Venture Project

AGENCY: Federal Trade Commission.

ACTION: Notice of opportunity for comment and public hearing.

SUMMARY: The Federal Trade Commission ("FTC" or "Commission") is requesting public comment about issues to be addressed in the Joint Venture Project that the Commission has authorized. The Project is being

undertaken by the Commission in collaboration with the Department of Justice. Comments may be provided to the Commission in writing as specified below. In addition, the Commission will hold public hearings concerning these issues beginning June 2, 1997. The Commission is likely to provide another opportunity for public comment in the fall of 1997 on additional issues to be addressed in connection with the Joint Venture Project.

The Joint Venture Project grows out of public hearings held by the FTC in the fall of 1995, at which businesses reported that global and innovation-based competition is driving firms toward ever more complex collaborative agreements that sometimes raise new competition issues. Some commenters at those hearings also requested clarification and updating of current antitrust policy toward business collaborations among competitors.

The Joint Venture Project will address whether antitrust guidance to the business community can be improved through clarifying and updating antitrust policies regarding joint ventures and other forms of competitor collaborations. As has been generally noted, businesses may find it desirable to collaborate with rivals in order to achieve a large variety of goals: Attain economies of scale; increase capacity and market access; minimize risk; avoid duplication; transfer, commercialize, or distribute technology efficiently; combine complementary or co-specialized capabilities; or better appropriate the returns of innovation. Some competitor collaborations, however, raise antitrust concerns about the degree to which competition among rivals has been curtailed. In such cases, antitrust enforcers must assess whether and to what extent competition is harmed.

Issues relevant to why and how competitors wish to collaborate with their rivals, and the impact those arrangements have on competition, are of interest to the Commission in connection with the Joint Venture Project. Specifically, the FTC is seeking comment at this time on the following issues:

Factual Questions Relating to Recent Trends in Collaborations Among Competitors

The Commission is interested in better understanding the current use of competitor collaborations¹—including

¹ For purposes of this notice, "competitor collaborations" should be understood as including all collaborations, short of a merger, between or among entities that would have been actual or

new types of competitor collaborations, their business purposes, and any business reasons why they may have become more frequent. As an aid to understanding, the Commission has included the following questions as examples of the kinds of factual information in which the Commission is interested. Those who respond should neither feel constrained by those questions nor compelled to answer each one, however. The most informative responses will aid the Commission in better understanding new types of, and possibly more frequent, competitor collaborations.

Because real-world examples are usually the most informative, the Commission would prefer descriptions of competitor collaborations that actually have been undertaken. However, recognizing that businesses may wish to protect confidential information about some collaborations, the Commission also encourages the use of hypothetical fact patterns to describe the types of business situations that are prompting new types of and more frequent collaborations among competitors.

Questions

During the past few years, in what types of collaborations with competitors have businesses engaged and what have been the business purposes of those collaborations?

What types of legal arrangements have been used (e.g., traditional forms of joint ventures, strategic alliances, contractual arrangements, etc.) and why? In what ways, if any, did those legal arrangements differ from traditional forms of joint ventures?

To what extent have competitor collaborations involved an integration of operations or facilities as opposed to other types of contractual arrangements?

What types of business activities have been most often involved in recent competitor collaborations—e.g., production, information-sharing, marketing, selling, buying, etc.? Why were collaborations with competitors, rather than single-firm activity, preferred as the means used to accomplish them? What were the perceived advantages and possible disadvantages of competitor collaborations as opposed to independent activity or merger? To what extent, if any, have the business activities covered by recent competitor collaborations differed from business activities covered by earlier competitor collaborations?

likely potential competitors in a relevant market absent that collaboration.

Under what circumstances have competitor collaborations involved more than one type of business activity—e.g., joint product development plus joint production plus joint marketing? What are the business reasons that have prompted such collaborations? Would the collaborations still have taken place in the absence of one or more of the business activities—e.g., if joint selling was not achievable? If not, why not? For collaborations that included joint marketing, why was it necessary to use joint, rather than independent, marketing (e.g., advertising, distribution, sales, etc.)?

Under what circumstances have competitor collaborations involved more than two firms? What are the business reasons that have prompted such collaborations?

What have been the primary business goals of such arrangements—e.g., entering into new markets, sharing costs, sharing and managing the risk associated with large capital investments and uncertain future earnings streams, etc.? Why were competitor collaborations rather than independent activity or merger preferred as the means to achieve those goals? To what extent, if any, did the business goals of recent competitor collaborations differ from business goals on which earlier competitor collaborations were based? To what extent, if any, did the goals of the members of the competitor collaborations differ from each other?

In what ways (if any) do competitor collaborations typically vary by type of industry? In what ways (if any) do competitor collaborations typically vary when their primary customer is a government agency?

What are the business issues relevant to determining with which firm or firms to collaborate? Once a collaboration is formed, what are the business issues relevant to determining whether to admit additional members or to confer partial access to non-member competitors? What mechanisms are used in making such decisions? What are the terms on which access is granted, and how are they determined?

What are the mechanisms for determining price and output levels? Are these determinations made independently by individual members or jointly? Through what mechanism is joint control exercised? What business factors govern these choices?

What mechanisms are used for allocating costs and sharing profits among the participants in a competitor collaboration? How are internal transfer prices set?

What factors affect the incentive or the ability of a participant to invest significant assets and efforts in a competitor collaboration? What types of arrangements are necessary to prevent opportunistic conduct by participants?

In general, competitor collaborations may be "exclusive" (that is, members of the collaboration are *not* permitted to compete against it independently) or "non-exclusive" (that is, members of the collaboration *are* permitted to compete against it independently). Have recent competitor collaborations most often been "exclusive" or "non-exclusive"? What were the business reasons for choosing between exclusivity or non-exclusivity? What factors affect the incentive or the ability of a member to compete with the collaboration?

For competitor collaborations involving the possibility of investment and expansion by the venture, what mechanisms are used to make such decisions? By whom are such decisions made? Can such decisions be made unilaterally by individual members?

What has been the typical duration of competitor collaborations? Why have they been of such duration? When no limit is placed on duration, what mechanisms govern termination? Is there any difference between the typical duration of recent competitor collaborations as opposed to earlier competitor collaborations? If so, why?

What limitations are placed on competition from former members after withdrawal from or termination of competitor collaborations?

Have competitor collaborations typically involved business activities in countries other than the U.S. or in other countries and the U.S.; if so, why was a competitor collaboration used for such international activity? In what ways (if any) do competitor collaborations typically vary when they involve conduct in foreign countries?

In general, have competitor collaborations worked well to achieve their business purposes? Why or why not?

Policy and Legal Questions Relating to Competitor Collaborations

The Commission also is interested in better understanding the extent to which antitrust law and the antitrust agencies' current policy guidelines and advice mechanisms are useful to businesses, and how the usefulness of antitrust guidance might be improved. The following questions are suggestive of issues that would be of interest in responses, but, again, the questions are not intended to constrain or to require responses.

Questions

The State of Antitrust Law

What aspects of antitrust law regarding joint ventures or other collaborations among competitors require clarification?

For the following competitive issues, in what circumstances are competitor collaborations more or less likely to cause competitive harm? What are the factors critical to an accurate assessment of whether competitor collaborations will likely harm competition in those circumstances? Are there any of the following issues on which the agencies should *not* focus in analyzing the permissibility of competitor collaborations under antitrust law? Which are why?

- Whether the price- or output-related decisions of competitor collaborations may harm competition
- Whether restrictions on competition between or among the members of a competitor collaboration, or between the collaboration and another entity, may harm competition
- Whether the competitor collaboration increases the likelihood of collusion outside the joint venture as a result of sharing confidential, competitively sensitive information or other mechanisms
- Whether the competitor collaboration may raise rivals' cost
- Whether a denial of membership in or access to a competitor collaboration may harm competition
- Whether a competitor collaboration that lacks market power in any relevant market may still harm competition in a relevant market

How can a collaboration among rivals be structured and implemented to reduce the likelihood of anticompetitive harm from any of the above-listed competitive issues? For example, what mechanisms should be included in joint venture agreements to prevent the inappropriate sharing of competitive, confidential information among venture participants? What types of procedural or structural mechanisms can a competitor collaboration use to lessen the likelihood of anticompetitive harm from any of the above-listed competitive issues? Which of those mechanisms, if any, may be undesirable from a business perspective? Why and in what ways?

What are the benefits and harms of treating certain types of conduct as *per se* unlawful? How might current articulations of the dividing lines between *per se* and rule of reason analysis, or between quick-look or full-blown rule of reason analysis, be clarified? Are there new articulations of

those dividing lines that are worth consideration by the antitrust agencies and the courts?

What factors should be used to determine whether price or non-price restrictions are related to the procompetitive purpose of a competitor collaboration? What factors should be used to determine whether price or non-price restrictions are reasonably necessary for achieving the procompetitive purpose of a competitor collaboration?

What are the factors that should be included in a rule of reason analysis of a competitor collaboration? Are there particular factors whose early examination could simplify rule of reason analysis? If so, what are they, and why and how could they simplify the analysis? In what ways could reliance on such factors reduce the ability of antitrust enforcers to discern anticompetitive effects?

Are there any circumstances in which forms of competitor collaboration that could have enhanced competition have been deterred due to uncertainty about antitrust rules or possible costs of antitrust investigation or litigation? What were the circumstances, and what was the uncertainty?

Are there any circumstances in which parties have failed to challenge arguably anticompetitive competitor collaborations due to uncertainty about antitrust rules or possible costs of antitrust investigation or litigation? What were the circumstances, and what was the uncertainty?

How has the National Cooperative Research and Production Act of 1993 ("NCRPA")² affected competitor collaboration? In what circumstances has the Act's notification procedure been used? Are there any factors that prevent this procedure from achieving its full potential benefits?

FTC/DOJ Guidelines

Which set of agency guidelines—e.g., Statements of Antitrust Enforcement Policy in Health Care, Antitrust Guidelines for the Licensing of Intellectual Property, Horizontal Merger Guidelines issued by the U.S. Department of Justice and the Federal Trade Commission—is used most frequently in providing guidance regarding permissible competitor collaborations and collateral agreements? Why?

²The NCRPA, Pub. L. 103-42, 107 Stat. 117 (1993) (current version at 15 U.S.C.A. 4301-4306), provides for rule-of-reason treatment and limitation of damages for certain research and development and production joint ventures for which notification is filed with the Department of Justice and the Federal Trade Commission.

To what extent, if any, do any of the current agency guidelines constrain competitor collaborations so as to prevent firms from adopting new ways to compete more effectively? How? To what extent, if any, do agency guidelines affect the strategic decisions of companies? How?

In what areas, if any, is agency guidance through guidelines inadequate for the current needs of business? What are those areas, and what are the perceived inadequacies? To what extent could such inadequacies be remedied through changes in or additions to the current guidelines, and to what extent would effective remedies require more targeted fact-specific advice in the form of advisory opinions?

FTC Advisory Opinions

How often do you ask for Commission or staff advisory opinions regarding new types of competitor collaborations? In what types of circumstance do you use those procedures? Are these circumstance in which you do not use them? Why?

What are the advantages and disadvantages, from a business viewpoint, of obtaining a Commission or staff advisory opinion about the antitrust legality of a proposed or current collaboration among competitors?

DATES: Any interested person may submit written comments by August 1, 1997. Request to participate in public hearings should be submitted by May 16, 1997, or earlier if at all possible. Such request should identify the requesting party and briefly state the matter that the party wishes to address at the hearings. Public hearing will be

held beginning June 2, 1997, at the Federal Trade Commission, Room 332, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580.

ADDRESSES: To facilitate efficient review of public comments, all comments should be submitted in written and electronic form. Electronic submissions may be made in one of two ways. They may be filed on either a 5¼ or 3½ inch computer disk, with a label on the disk stating the name of the commenter and the name and version of the work processing program used to create the document. (Programs based on DOS or Windows 3.1 are acceptable. Files from other operating systems should be submitted in ASCII text format.) Alternatively, electronic submission may be sent by electronic mail to jventures@ftc.gov. Submission should be captioned "Comment on Issues relating to Joint Venture Project" and addressed to Donald S. Clark, Office of the Secretary, Federal Trade Commission, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580.

Notice of interest in participating in the hearings also should be addressed in writing to the Office of the Secretary at the above address.

FOR FURTHER INFORMATION CONTACT: Policy Planning staff at (202) 326-3712.

SUPPLEMENTARY INFORMATION: The Commission is examining its role in enforcing antitrust laws in light of the above issues. Public comments and hearings are expected to provide information relevant to determining what, if any, actions may be desirable. The Commission has general authority under the FTC Act to interpret its

substantive laws through guidelines, advisory opinions, and policy statements.

By direction of the Commission.

Donald S. Clark,
Secretary.

[FR Doc. 97-10853 Filed 4-25-97; 8:45 am]

BILLING CODE 6750-01-M

FEDERAL TRADE COMMISSION

Granting of Request for Early Termination of the Waiting Period Under the Premerger Notification Rules

Section 7A of the Clayton Act, 15 U.S.C. § 18a, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, requires persons contemplating certain mergers or acquisitions to give the Federal Trade Commission and the Assistant Attorney General advance notice and to wait designated periods before consummation of such plans. Section 7A(b)(2) of the Act permits the agencies, in individual cases, to terminate this waiting period prior to its expiration and requires that notice of this action be published in the **Federal Register**.

The following transactions were granted early termination of the waiting period provided by law and the premerger notification rules. The grants were made by the Federal Trade Commission and the Assistant Attorney General for the Antitrust Division of the Department of Justice. Neither agency intends to take any action with respect to these proposed acquisitions during the applicable waiting period.

TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 033197 AND 041197

Name of acquiring person, name of acquired person, name of acquired entity	PMN No.	Date terminated
Reilly Family Limited Partnership, Appleton, Inc., Penn Advertising, Inc	97-1286	03/31/97
SunGard Data Systems, Inc., Safeguard Scientifics, Inc., Premier Solutions, Inc	97-1454	03/31/97
Ford Motor Company, American Federal Bank, FSB, Finance South, Inc	97-1461	03/31/97
Fiserv, Inc., BHC Financial, Inc., BHC Financial, Inc	97-1462	03/31/97
Ford Motor Company, General Acceptance Corporation, General Acceptance Corporation	97-1478	03/31/97
Vital Signs, Inc., Mr. Robert P. Scherer, Jr., Marquest Medical Products, Inc; Scherer Healthcare, Inc.	97-1568	03/31/97
Metal Management, Inc., Bank of Boston Corporation, Reserve Iron & Metal Limited Partnership	97-1591	03/31/97
Trinity Industries, Inc., Thomas C. Weller, Jr., Maritime Holdings, Inc	97-1435	04/01/97
Dennis C. Hayes, Paul G. Allen, Cardinal Technologies, Inc	97-1541	04/01/97
TransTechnology Corporation, Robert H. Bradley, TCR Corporation	97-1590	04/01/97
Telco Communication Group, Inc., International Business Machine Corporation, Advantis	97-1598	04/01/97
Morgan Stanley Capital Partners III, L.P., Plymouth Rock Company Incorporated, Direct Response Corporation	97-1599	04/01/97
Highlands Insurance Group, Inc., Alexander M. Vik, Vik Brothers Insurance Inc	97-1603	04/01/97
Cable Design Technologies Corporation, Dearborn Wire & Cable, L.P., Dearborn Wire & Cable, L.P. and Affiliates	97-1606	04/01/97
Swiss Reinsurance Company, Societe Anonyme Francaise de Reassurances, Societe Anonyme Francaise de Reassurances	97-1612	04/01/97
InaCom Corp., Elizabeth A. Heddens, Bethco, Inc	97-1619	04/01/97
Cyrk, Inc., Dwight J. Drake, Tonkin, Inc	97-1626	04/01/97
Parfinance, Nord Resources Corporation, Nord Kaolin Company	97-1494	04/02/97
BCE Inc., BCE Inc., Bell Atlantic Meridian Systems	97-1569	04/02/97
Golder, Thoma, Cressey, Rauner Fund IV, L.P., The KB Mezzanine Fund, L.P., Reliable Holding Corporation ..	97-1627	04/03/97