

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 standards enumerated in the BHC Act (12 U.S.C. § 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act, including whether the acquisition of the nonbanking company can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices" (12 U.S.C. § 1843). Any request for a hearing must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal. 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 April 1, 1996.

A. Federal Reserve Bank of Richmond (Lloyd W. Bostian, Jr., Senior Vice President) 701 East Byrd Street, Richmond, Virginia 23261:

1. *NationsBank Corporation*, Charlotte, North Carolina, and NB Holdings Corporation, Charlotte, North Carolina; to merge with Charter Bancshares, Inc., Houston, Texas, and CBH, Inc., Wilmington, Delaware; and thereby indirectly acquire Charter National Bank-Houston, Houston, Texas; Charter National Bank-Colonial, Houston, Texas; University National Bank, Galveston, Texas; and Charter Bank, State Savings Bank, Houston, Texas.

Board of Governors of the Federal Reserve System, March 1, 1996.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 96-5340 Filed 3-6-96; 8:45 am]

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FEDERAL TRADE COMMISSION

[File No. 951-0096]

Saint-Gobain/Norton Industrial Ceramics Corporation; Consent Agreement With Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Consent Agreement.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would require the Worcester, Massachusetts-based corporation—a wholly-owned indirect subsidiary controlled by Compagnie de Saint-Gobain, a French company—to divest businesses and associated assets in the United States markets for fused cast refractories, hot surface igniters, and silicon carbide refractory bricks. The consent agreement settles allegations that Saint-Gobain's acquisition of The Carborundum Company from the British Petroleum Company likely would lead to monopolies or near monopolies in each of these markets, which supply products used in industrial furnaces and home appliances.

DATES: Comments must be received on or before May 6, 1996.

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

FOR FURTHER INFORMATION CONTACT: William J. Baer, Federal Trade Commission, H-374, 6th Street and Pennsylvania Avenue NW, Washington, DC 20580. (202) 326-2932, or Howard Morse, Federal Trade Commission, S-3627, 6th Street and Pennsylvania Avenue, NW., Washington, DC 20580. (202) 326-2949.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying as its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

Agreement Containing Consent Order

The Federal Trade Commission ("the Commission"), having initiated an investigation of the proposed acquisition by Compagnie de Saint-Gobain, through its wholly-owned subsidiary, Societe Europeenne des Produits Refractaires, of certain of the subsidiaries of British Petroleum Company p.l.c. which together comprise The Carborundum Company ("Carborundum"), in which Saint-Gobain/Norton Industrial Ceramics Corporation will acquire all of the United States assets of Carborundum, other than assets relating to ceramic fibers, which acquisition is more fully described at paragraph I.(F) below, and it now appearing that Saint-Gobain/Norton Industrial Ceramics Corporation and Compagnie de Saint-Gobain are willing to enter into an agreement containing an order to divest certain assets and providing for other relief:

It is hereby agreed by and between Saint-Gobain/Norton Industrial Ceramics Corporation and Compagnie de Saint-Gobain, by their duly authorized officers, and their attorneys, and counsel for the Commission that:

1. Proposed respondent Saint-Gobain/Norton Industrial Ceramics Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the state of Delaware, with its office and principal place of business located at One New Bond Street, Worcester, Massachusetts 01615-0008.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of complaint here attached.

3. Proposed respondent waives:

- a. Any further procedural steps;
- b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;
- c. All rights to seek judicial review or otherwise to challenge or contest the validity of the Order entered pursuant to this agreement; and
- d. Any claim under the Equal Access to Justice Act.

4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondent, in which event the Commission will take such action as it

may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondent that the law has been violated as alleged in the draft of complaint here attached, or that the facts as alleged in the draft complaint, other than jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondent, (1) issue its complaint corresponding in form and substance with the draft of complaint attached hereto and its decision containing the following Order to divest and providing for other relief in disposition of the proceeding, and (2) make information public with respect thereto. When so entered, the Order to divest and providing for other relief shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The Order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to Order to proposed respondent's address as stated in this agreement shall constitute service. Proposed respondent waives any right it may have to any other manner of service. The complaint may be used in construing the terms of the Order, and no agreement, understanding, representation or interpretation not contained in the Order or the agreement may be used to vary or contradict the terms of the Order.

7. Nothing contained in this agreement shall bar the Commission from seeking judicial relief to enforce the Order, or to enforce the Agreement to Hold Separate.

8. Proposed respondent has read the proposed complaint and Order contemplated hereby. Proposed respondent understands that once the Order has been issued, it will be required to file one or more compliance reports showing it has fully complied with the Order. Proposed respondent further understands that it may be liable for civil penalties in the amount provided by law for each violation of the Order after it becomes final.

Order

I

As used in this Order, the following definitions shall apply:

A. "Respondent" or "Saint-Gobain" means Saint-Gobain/Norton Industrial Ceramics Corporation, its directors, officers, employees, agents and representatives, its predecessors, successors, and assigns; subsidiaries, divisions, and groups and affiliates controlled by Saint-Gobain, and the respective directors, officers, employees, agents, representatives, successors and assigns of each; its domestic and foreign parents, including Compagnie de Saint-Gobain, and the subsidiaries, divisions, and groups and affiliates controlled by Compagnie de Saint-Gobain or any other domestic or foreign parent, and the respective directors, officers, employees, agents, representatives, successors and assigns of each.

B. "Carborundum" means the companies and assets comprising The Carborundum Company that Saint-Gobain proposes to acquire from BP pursuant to the Acquisition.

C. "BP" means The British Petroleum Company p.l.c.

D. "Toshiba Monofrax" means the joint venture between Carborundum and Toshiba Ceramics Company, Limited, pursuant to the Joint Venture Agreement dated December 20, 1965.

E. "Commission" means the Federal Trade Commission.

F. "Acquisition" means the acquisition described in the Stock Purchase Agreement entered into on May 26, 1995 by which Saint-Gobain has agreed to acquire and BP has agreed to convey certain rights and interests in, and title to, Carborundum.

G. "Fused Cast Refractories" means all grades or types of refractory products which are produced using a fused cast process, i.e., melting components in electric furnaces and casting the molten product into shaped products, including, but not limited to, fused cast AZS (alumina-zirconia-silica) and fused cast alumina.

H. "Hot Surface Igniters" means all silicon carbide hot surface igniters used in the ignition system of gas appliances.

I. "Silicon Carbide Performance Refractories" means all refractory products composed of bonded silicon carbide grains.

J. "Silicon Carbide Refractory Bricks" means all refractory products composed of bonded silicon carbide grains which are formed by hydraulic, mechanical or vibratory pressing, and are marketed for use in the manufacture of primary metals, including aluminum reduction

cells, steel blast furnaces, and copper shaft furnaces.

K. "Carborundum Silicon Carbide Refractory Brick Technology" means all patents, trade secrets, technology and know-how of Carborundum for producing any Silicon Carbide Refractory Brick product sold by Carborundum on or before the date of the Acquisition, all such information being sufficiently detailed for the commercial production and sale of such products, including, but not limited to, all technical information, data, specifications, drawings, design and equipment specifications, manuals, engineering reports, manufacturing designs and reports, operating manuals, and formulations, laboratory research, and quality control data.

L. "Assets and Businesses" means assets, properties, businesses, and goodwill, tangible and intangible, including, without limitation, the following:

1. All plant facilities, machinery, fixtures, equipment, vehicles, transportation and storage facilities, furniture, tools supplies, stores, spare parts, and other tangible personal property;

2. All customer lists, vendor lists, catalogs, sales promotion literature, advertising materials, research materials, technical information, dedicated management information systems, information contained in management information systems, rights to software, trademarks, patents and patent rights, inventions, trade secrets, technology, know-how, ongoing research and development, specifications, designs, drawings, processes and quality control data;

3. Raw material and finished product inventories and goods in process;

4. All right, title and interest in and to real property, together with appurtenances, licenses, and permits;

5. All right, title, and interest in and to the contracts entered into in the ordinary course of business with customers (together with associated bids), suppliers, sales representatives, distributors, agents, personal property lessors, personal property lessees, licensors, licensees, consignors and consignees;

6. All rights under warranties and guarantees, expressed or implied;

7. All separately maintained, as well as relevant portions of not separately maintained books, records and files; and

8. All items of prepaid expense.

M. "Carborundum Fused Cast Refractories Properties to Be Divested" means the Carborundum Monofrax Group, Carborundum's manufacturing facility in Falconer, New York, and any

other Carborundum Assets and Businesses utilized in connection with the research, development, manufacture, distribution or sale of Fused Cast Refractories (including any assets located at or research or development work ongoing or completed at the Carborundum Technology Center); provided, however, that the "Carborundum Fused Cast Refractories Properties to Be Divested" does not include the name "Carborundum" nor any interest of Carborundum in, or contractual relationship with, Toshiba Monofrax.

N. "Carborundum Igniters Properties to Be Divested" means Carborundum's Hot Surface Igniter manufacturing facility in Mayaguez, Puerto Rico, and any other Carborundum Assets and Businesses utilized in connection with the research, development, manufacture, distribution or sale of Hot Surface Igniters (including any assets located or research and development work done at the Carborundum Technology Center, and any rights of Carborundum in which any person has agreed not to compete with Carborundum in the manufacture or marketing of Hot Surface Igniters); provided, however, that "Carborundum Igniters Properties to Be Divested" does not include the name "Carborundum."

O. "Carborundum Silicon Carbide Properties to Be Divested" means Carborundum's Keasbey, New Jersey Silicon Carbide Performance Refractories manufacturing facility, and any other Carborundum Assets and Businesses utilized in connection with the research, development, manufacture, distribution or sale of all products, including Silicon Carbide Refractory Bricks and products other than Silicon Carbide Refractory Bricks, manufactured at that plant (including such assets located, or research and development work done, at the Carborundum Technology Center); provided, however, that "Silicon Carbide Properties to Be Divested" does not include the name "Carborundum" or any Carborundum silicon carbide refractory manufacturing facilities other than the Keasbey, New Jersey plant, or any trade names used by Carborundum.

P. "Carborundum Properties to Be Divested" means the Carborundum Fused Cast Refractories Properties to Be Divested, the Carborundum Igniters Properties to Be Divested, and the Carborundum Silicon Carbide Properties to Be Divested.

Q. "Carborundum Technology Center" means Carborundum's research and development facility located in Niagara Falls, New York.

R. "Saint-Gobain Fused Cast Refractories Properties to Be Divested" means (i) Saint-Gobain's manufacturing facility in Louisville, Kentucky, and any other Saint-Gobain Assets and Businesses located in North America that are utilized in the research, development, manufacture, sale or distribution of Fused Cast Refractories and (ii) any product or processing technology utilized in connection with the research, development, manufacture, distribution or sale of Fused Cast Refractories (including any ongoing or completed research or development work within Saint-Gobain that is related to fused cast AZS refractories, fused cast alumina refractories, or to any other fused cast products produced or sold by Saint-Gobain in North America; provided, however, that such research shall not include research or development work that relates solely to process technology used by Societe Europeenne des Produits Refractaires in Europe).

S. "Licensee" means the person to whom the Carborundum Silicon Carbide Refractory Brick Technology is licensed pursuant to Paragraph II of this Order.

T. "License Date" means the date on which the Carborundum Silicon Carbide Refractory Brick Technology is licensed following Commission approval pursuant to Paragraph II of this Order.

U. "Remaining Properties to Be Divested" means the following:

1. The Carborundum Fused Cast Refractories Properties to Be Divested if the Carborundum Fused Cast Refractories Properties to Be Divested have not been divested, or divestiture of the Saint-Gobain Fused Cast Refractories Properties to Be Divested has not been approved by the Commission and divested, by the time that a trustee is appointed in accordance with Paragraph III of this Order, and

2. The Carborundum Igniters Properties to Be Divested if the Carborundum Igniter Properties to Be Divested have not been divested by the time that a trustee is appointed in accordance with Paragraph III of this Order, and

3. The Carborundum Silicon Carbide Properties to Be Divested if the Carborundum Silicon Carbide Refractory Brick Technology has not been approved by the Commission and granted, by the time that a trustee is appointed in accordance with Paragraph III of this Order.

V. "Viability and Competitiveness" of the Properties to Be Divested means that such respective properties are capable of

functioning independently and competitively in the Fused Cast Refractories, Hot Surface Igniters, and Silicon Carbide Performance Refractories Businesses.

II

It is further ordered that:

A. Respondent shall divest, absolutely and in good faith, at no minimum price, by the earlier of February 28, 1997, or one year from the date the Acquisition is consummated, the Carborundum Fused Cast Refractories Properties to Be Divested as an ongoing business, and shall also divest such additional ancillary Carborundum Assets and Businesses and effect such arrangements as are necessary to assure the Viability and Competitiveness of the Carborundum Fused Cast Refractories Properties to Be Divested.

B. Respondent may propose, and the Commission may in its sole discretion accept, in lieu of divestiture of the Carborundum Fused Cast Refractories Properties to Be Divested, divestiture of the Saint-Gobain Fused Cast Refractories Properties to Be Divested, to a person that receives the prior approval of the Commission, and in a manner that receives the prior approval of the Commission. Divestiture of the Saint-Gobain Fused Cast Refractories Properties to Be Divested shall, in order to obtain Commission approval, satisfy the purposes of this Order and remedy the lessening of competition resulting from the Acquisition as alleged in the Commission's Complaint. Respondent's request that the Commission approve a divestiture of the Saint-Gobain Fused Cast Refractories Properties to Be Divested shall not toll the time in which it is required to divest the Carborundum Fused Cast Refractories Properties to Be Divested, except that if the Commission has not approved or disapproved such request within ninety (90) days of the date on which it was submitted, then, in the event of Commission disapproval of the request, the period shall be extended by the length of time in excess of ninety days before Commission disapproval. Respondent's request that the Commission approve divestiture of the Saint-Gobain Fused Cast Refractories Properties to Be Divested shall not eliminate the requirement that it divest the Carborundum Fused Cast Refractories Properties to Be Divested, unless such substitute divestiture is approved by the Commission and consummated in a timely fashion consistent with the requirements of this Order.

C. Respondent shall divest, absolutely and in good faith, at no minimum price, by the earlier of February 28, 1997, or

one year from the date the Acquisition is consummated, the Carborundum Igniters Properties to Be Divested as an ongoing business, and shall also divest such additional ancillary Carborundum Assets and Businesses and effect such arrangements as are necessary to assure the Viability and Competitiveness of the Carborundum Igniters Properties to Be Divested.

D. Respondent shall divest, absolutely and in good faith, at no minimum price, by the earlier of February 28, 1997, or one year from the date the Acquisition is consummated, the Carborundum Silicon Carbide Properties to Be Divested, and shall also divest such additional ancillary Carborundum Assets and Businesses and effect such arrangements as are necessary to assure the Viability and Competitiveness of the carborundum Silicon Carbide Properties to Be Divested.

E. Respondent may propose, prior to the earlier of August 30, 1996, or six months from the date the Acquisition is consummated, and the Commission may in its sole discretion accept, in lieu of divestiture of the Carborundum Silicon Carbide Properties to Be Divested, to grant, with no continuing royalties, a perpetual license to the Carborundum Silicon Carbide Refractory Brick Technology to a person that obtains the prior approval of the Commission, in a manner that receives the prior approval of the Commission. Licensing of the Carborundum Silicon Carbide Refractory Brick Technology shall, in order to obtain Commission approval, satisfy the purposes of this Order and remedy the lessening of competition resulting from the Acquisition as alleged in the Commission's Complaint. In no event shall any licensing agreement pursuant to this paragraph contain any limitation on the products the licensee is permitted to produce, or the geographic area in which the licensee may produce such products. Respondent's request that the Commission approve a licensee shall not toll the time in which it is required to divest the Carborundum Silicon Carbide Properties to Be Divested, except that if the Commission has not approved or disapproved such request within ninety (90) days of the date on which it was submitted, then, in the event of Commission disapproval of the request, the period shall be extended by the length of time in excess of ninety days before Commission disapproval. Respondent's request that the Commission approve a licensee shall not eliminate the requirement that it divest the Carborundum Silicon Carbide Properties to Be Divested, unless such licensing is approved by the

Commission and consummated in a timely fashion consistent with the requirements of this Order.

F. If Respondent licenses the Carborundum Silicon Carbide Refractory Brick Technology pursuant to Paragraph II. E. of this Order, then for a period of six (6) months after the License Date, upon reasonable notice and request from the Licensee, Respondent shall provide to the Licensee information, technical assistance, and advice sufficient to effect the transfer to the Licensee of the Silicon Carbide Refractory Brick Technology and to enable the Licensee to manufacture Silicon Carbide Refractory Bricks. Upon reasonable notice and request from the Licensee, Respondent shall also provide to the Licensee consultation and training with knowledgeable employees of Respondent, including a qualified engineer, at the Licensee's facility for a period of time, not to exceed three (3) months, sufficient to satisfy the Licensee's management that its personnel are adequately trained in the manufacture of Silicon Carbide Refractory Bricks. Respondent may require reimbursement from the Licensee for all of its direct out-of-pocket expenses, including a reasonable labor loss fee for on-site assistance incurred in providing the services required by this Paragraph II.F. of this Order.

G. If Respondent licenses the Carborundum Silicon Carbide Refractory Brick Technology pursuant to Paragraph II.E. of this Order, then Respondent shall provide the Licensee with all promotional, advertising, and marketing materials regarding Silicon Carbide Refractory Bricks prepared by Carborundum at any time during the period commencing twelve (12) months prior to the date this Order becomes final, a list of all customers of Carborundum's Silicon Carbide Refractory Bricks during the period commencing twenty four (24) months prior to the date this Order becomes final, and a list of Carborundum's suppliers of silicon carbide, other raw materials, and production components used to produce Carborundum's Silicon Carbide Refractory Bricks.

H. Respondent shall comply with all terms of the Agreement to Hold Separate attached to this Order and made a part hereof as Appendix I. Said Agreement shall continue in effect with respect to the Carborundum Fused Cast Refractories Properties to Be Divested until such time as Respondent has divested the Carborundum Fused Cast Refractories Properties to Be Divested, with respect to the Carborundum

Igniters Properties to Be Divested until such time as Respondent has divested the Carborundum Igniters Properties to Be Divested, and with respect to the Carborundum Silicon Carbide Properties to Be Divested until such time as Respondent has divested the Carborundum Silicon Carbide Properties to Be Divested, or until such other time as stated in said Agreement, provided that said Agreement to Hold Separate shall not continue in effect with respect to the Carborundum Fused Cast Refractories Properties to Be Divested if Respondent divests, with Commission approval, the Saint-Gobain Fused Cast Refractories Properties to Be Divested, and shall not continue in effect with respect to the Carborundum Silicon Carbide Properties to Be Divested if Respondent licenses, with Commission approval, the Carborundum Silicon Carbide Refractory Brick Technology.

I. Respondent shall divest each of the Carborundum Properties to Be Divested only to an acquirer or acquirers that receive the prior approval of the Commission and only in a manner that receives the prior approval of the Commission. The purpose of the divestitures of the Carborundum Properties to Be Divested is to ensure the continuation of the Carborundum Properties to Be Divested as ongoing, viable businesses engaged in the manufacture and sale of Fused Cast Refractories, Hot Surface Igniters, and Silicon Carbide Performance Refractories, respectively, and to remedy any lessening of competition resulting from the Acquisition as alleged in the Commission's Complaint.

III

It is further ordered that:

A. If Respondent has not divested, absolutely and in good faith and with the Commission's approval, each of the Carborundum Properties to Be Divested, or, pursuant to Paragraph II.B. of this Order, the Saint-Gobain Fused Cast Refractories Properties to Be Divested, or has not licensed, with the Commission's approval, pursuant to Paragraph II.E. of this Order, the Carborundum Silicon Carbide Refractory Brick Technology, the Commission may appoint one or more trustees to divest the Remaining Properties to Be Divested, along with any reasonable ancillary Carborundum assets and other reasonable arrangements that are necessary to assure the Viability and Competitiveness of such Remaining Properties to Be Divested.

B. In the event the Commission or the Attorney General brings an action

pursuant to section 5(l) of the Federal Trade Commission Act, 15 U.S.C. 45(l), or any other statute enforced by the Commission, Respondent shall consent to the appointment of a trustee in such action. Neither the appointment of a trustee nor a decision not to appoint a trustee under this Paragraph shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed trustee, pursuant to section 5(l) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by Respondent to comply with this Order.

C. If a trustee is appointed by the Commission or a court pursuant to Paragraph III.A. of this Order, Respondent shall consent to the following terms and conditions regarding the powers, authorities, duties and responsibilities of the trustee:

1. The Commission shall select the trustee, subject to the consent of Respondent, which consent shall not be unreasonably withheld. The trustee shall be a person with experience and expertise in acquisitions and divestitures. If Respondent has not opposed, in writing, including the reasons for opposing, the selection of any proposed trustee within ten (10) days after notice by the staff of the identity of any proposed trustee, Respondent shall be deemed to have consented to the selection of the proposed trustee.

2. Subject to the prior approval of the Commission, the trustee shall have the exclusive power and authority to divest the Remaining Properties to Be Divested, along with any reasonable ancillary Carborundum assets and other reasonable arrangements that are necessary to assure the Viability and Competitiveness of such Remaining Properties to Be Divested.

3. The trustee shall have twelve (12) months from the date of appointment to accomplish the divestiture or divestitures. If, however, at the end of the twelve-month period the trustee has submitted a plan of divestiture or believes that divestiture can be accomplished within a reasonable time, the divestiture period may be extended by the Commission; provided, however, the Commission may only extend the divestiture period or divestiture periods, as applicable, two (2) times, but not more than one (1) year in the aggregate for each divestiture.

4. The trustee shall have full and complete access to the personnel, books, records and facilities related to the Remaining Properties to Be Divested, or any other relevant information, as the

trustee may reasonably request. Respondent shall develop such financial or other information as such trustee may reasonably request and shall cooperate with any reasonable request of the trustee. Respondent shall take no action to interfere with or impede any trustee's accomplishment of the divestiture or divestitures. Any delays in divestiture caused by Respondent shall extend the time for divestiture under this Paragraph in an amount equal to the delay, as determined by the Commission or the court for a court-appointed trustee.

5. Subject to Respondent's absolute and unconditional obligation to divest at no minimum price, the trustee shall use his or her best efforts to negotiate the most favorable price and terms available for the divestiture of the Remaining Properties to Be Divested. If the trustee receives bona fide offers for the Remaining Properties to Be Divested from more than one acquiring entity or entities, and if the Commission determines to approve more than one such acquiring entity, the trustee shall divest to the acquiring entity or entities selected by Respondent from among those approved by the Commission.

6. The trustee shall serve, without bond or other security, at the cost and expense of Respondent, on such reasonable and customary terms and conditions as the Commission or a court may set. The trustee shall have authority to employ, at the cost and expense of Respondent, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are reasonably necessary to carry out the trustee's duties and responsibilities. The trustee shall account for all monies derived from the sale and all expenses incurred. After approval by the Commission and, in the case of a court-appointed trustee, by the court, of the account of the trustee, including fees for his or her services, all remaining monies shall be paid at the direction of Respondent and the trustee's power shall be terminated. The trustee's compensation shall be based at least in significant part on a commission arrangement contingent on the trustee's divesting the Remaining Properties to be Divested.

7. Respondent shall indemnify the trustee and hold the trustee harmless against any losses, claims, damages, or liabilities arising out of, or in connection with, the performance of the trustee's duties under this Order, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of any claim, whether or not

resulting in any liability, except to the extent that such liabilities, losses, damages, claims, or expenses result from misfeasance, gross negligence, willful or wanton acts, or bad faith by the trustee.

8. Within ten (10) days after appointment of the trustee, and subject to the prior approval of the Commission and, in the case of a court-appointed trustee, of the court, Respondent shall execute a trust agreement that transfers to the trustee all rights and powers necessary to permit the trustee to effect the divestitures required by this order.

9. If a trustee ceases to act or fails to act diligently, a substitute trustee shall be appointed in the same manner as provided in Paragraph III.A. of this Order.

10. The Commission or, in the case of a court-appointed trustee, the court may, on its own initiative or at the request of the appropriate trustee, issue such additional orders or directions as may be necessary or appropriate to accomplish the divestiture required by this Order.

11. The trustee shall have no obligation or authority to operate or maintain the Remaining Properties to Be Divested.

12. The trustee shall report in writing to Saint-Gobain and to the Commission every sixty (60) days concerning the trustee's efforts to accomplish divestiture.

IV

It is further ordered that within thirty (30) days after the date this order becomes final and every sixty (60) days thereafter until Respondent has fully complied with Paragraphs II and III of this order, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which it intends to comply, is complying and has complied with those provisions, including the Agreement to Hold Separate. Respondent shall include in its compliance reports, among other things that are required from time to time, a full description of substantive contacts or negotiations for the divestitures of the Carborundum Fused Cast Refractories Properties to Be Divested, Carborundum Igniter Properties to Be Divested, Carborundum Silicon Carbide Properties to Be Divested, and divestiture of the Saint-Gobain Fused Cast Refractories Properties to Be Divested or licensing of the Carborundum Silicon Carbide Refractory Brick Technology, as specified in Paragraph II of this order, including the identity of all parties contacted. Respondent also shall

include in compliance reports, among other things, copies of all written communications to and from such parties, all internal memoranda, reports and recommendations concerning the divestitures.

V

It is further ordered that for the purposes of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and on reasonable notice to Respondent made to counsel for Respondent, Saint-Gobain shall permit any duly authorized representatives of the Commission:

A. Access, during office hours and in the presence of counsel, to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent, relating to any matters contained in this order; and

B. Upon ten (10) days' notice to Respondent, and without restraint or interference from Respondent, to interview officers or employees of Respondent, who may have counsel present, regarding such matters.

VI

It is further ordered that until the obligations set forth in Paragraphs II and III of this Order are met, Respondent shall notify the Commission at least thirty (30) days prior to any proposed change in the corporation such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation, dissolution or sale of subsidiaries, or any other change that may affect compliance obligations arising out of the Order.

Agreement to Hold Separate

This Agreement to Hold Separate (the "Hold Separate") is by and between Saint-Gobain/Norton Industrial Ceramics Corporation ("Saint-Gobain"), a corporation organized, existing, and doing business under and by virtue of the laws of Delaware, with its principal office and place of business at One New Bond Street, Worcester, Massachusetts, 01615-0008, and the Federal Trade Commission (the "Commission"), an independent agency of the United States Government, established under the Federal Trade Commission Act of 1914, 15 U.S.C. § 41, *et seq.* (collectively, the "Parties").

Premises

Whereas, on May 26, 1995, Compagnie de Saint-Gobain, the parent company of Saint-Gobain/Norton Industrial Ceramics Corporation, entered into, through its wholly-owned subsidiary Societe Europeenne Des

Produits Refractaires ("SEPR"), a Stock Purchase Agreement with The Standard Oil Company, BP International Limited, and BP Exploration (Alaska), Inc., subsidiaries of British Petroleum Company, p.l.c. ("BP") providing for the acquisition (the "Acquisition") of the voting securities of the companies that together comprise The Carborundum Company ("Carborundum"); and

Whereas, Carborundum, with its principal office and place of business at 1625 Buffalo Avenue, Niagara Falls, New York, 14303, manufactures and sells a range of products, including fused cast refractories, hot surface igniters, and silicon carbide performance refractories; and

Whereas, the Commission is now investigating the Acquisition to determine if it would violate any of the statutes enforced by the Commission; and

Whereas, if the Commission accepts the Agreement Containing Consent Order ("Consent Order"), the Commission will place it on the public record for a period of at least sixty (60) days and may subsequently withdraw such acceptance pursuant to the provisions of Section 2.34 of the Commission's Rules; and

Whereas, the Commission is concerned that if an understanding is not reached, preserving the status quo ante of Carborundum, during the period prior to the final acceptance and issuance of the Consent Order by the Commission (after the sixty (60)-day public comment period), divestiture resulting from any proceeding challenging the legality of the Acquisition might not be possible, or might be less than an effective remedy; and

Whereas, the Commission is concerned that if the Acquisition is consummated, it will be necessary to preserve the Commission's ability to require the divestiture of Carborundum and the Commission's right to have Carborundum or the Carborundum Properties to Be Divested continue as viable competitors independent of Saint-Gobain; and

Whereas, even if the Commission determines to finally accept the Consent Order, it is necessary to hold separate the Carborundum Properties to Be Divested to protect interim competition pending divestiture or other relief; and

Whereas, the purpose of this Agreement and the Consent Order is to

(i) Preserve Carborundum as a viable and competitive business, independent of Saint-Gobain, and engaged in the research and development, manufacture and sale of Fused Cast Refractories, Hot Surface Igniters and Silicon Carbide

Performance Refractories pending final acceptance or withdrawal of acceptance of the Consent Order by the Commission pursuant to the provisions of section 2.34 of the Commission's Rules;

(ii) Preserve the Carborundum Properties to Be Divested as viable and competitive businesses, independent of Saint-Gobain, and engaged in the research and development, manufacture and sale of Fused Cast Refractories, Hot Surface Igniters and Silicon Carbide Performance Refractories pending Divestiture or other relief pursuant to Paragraph II or Paragraph III of the Consent Order;

(iii) Preserve Carborundum as a viable and competitive business, independent of Saint-Gobain, and engaged in the research and development, manufacture and sale of Fused Cast Refractories, Hot Surface Igniters and Silicon Carbide Performance Refractories and prevent any interim harm to consumers as a result of the Acquisition;

(iv) Remedy the anticompetitive effects of the Acquisition as alleged in the Commission's Complaint; and

Whereas, entering into this Hold Separate shall in no way be construed as an admission by Saint-Gobain that the Acquisition is illegal or would have any anticompetitive effects; and

Whereas, Saint-Gobain understands that no act or transaction contemplated by this Hold Separate shall be deemed immune or exempt from the provisions of the antitrust laws or the Federal Trade Commission Act by reason of anything contained in this Hold Separate.

Now, Therefore, the Parties agree, upon the understanding that the Commission has not yet determined whether the Acquisition will be challenged, and in consideration of the Commission's agreement at the time it accepts the Consent Order for public comment that, unless the Commission determines to reject the Consent Order, the Commission will not seek a temporary restraining order, preliminary injunction, or permanent injunction to prevent consummation of the Acquisition, and will grant early termination of the Hart-Scott-Rodino waiting period, as follows:

1. Saint-Gobain agrees to execute and be bound by the attached Consent Order.

2. The terms "Fused Cast Refractories," "Hot Surface Igniters," "Silicon Carbide Performance Refractories," "Carborundum Fused Cast Refractories Properties to Be Divested," "Carborundum Igniters Properties to Be Divested," "Carborundum Silicon Carbide Properties to Be Divested,"

“Carborundum Properties to Be Divested,” and “Acquisition” have the same definitions as in the Consent Order;

3. Saint-Gobain agrees that from the date this Hold Separate is accepted until the earliest of the dates listed in subparagraphs 3.a. or 3.b., it will comply with the provisions of paragraph 5 of this Hold Separate with respect to Carborundum:

a. Five (5) business days after the Commission withdraws its acceptance of the Consent Order pursuant to the provisions of Section 2.34 of the Commission’s Rules;

b. The day after the Commission accepts as final the Consent Order pursuant to the provisions of Section 2.34 of the Commission’s Rules.

Provided, however, that Saint-Gobain is not required to hold separate pursuant to this Hold Separate any of the following business groups or businesses of Carborundum: Ceramic Fiber; Microelectronics; Structural Ceramics; Boron Nitride; Ekonol Polyester Resin; Carborundum Specialty Products; Irrigation; or Carborundum’s silicon carbide refractory manufacturing plants in Germany, The United Kingdom or Australia.

4. Saint-Gobain agrees that from the date this Hold Separate is accepted until the earliest of the dates listed in subparagraphs 4.a., or 4.b., it will comply with the provisions of paragraph 5 of this Hold Separate with respect to each of the Carborundum Properties to Be Divested:

a. Five (5) business days after the Commission withdraws its acceptance of the Consent Order pursuant to the provisions of Section 2.34 of the Commission’s Rules;

b. The day after the respective divestiture required by the Consent Order is completed, or, as applicable with regard to the Carborundum Silicon Carbide Properties to Be Divested, an approved license granted.

5. Saint-Gobain shall hold Carborundum or the Carborundum Properties to Be Divested, as applicable pursuant to Paragraphs 3 and 4 (the “Held-Separate Businesses”), as they are constituted on the date the Acquisition is consummated, separate and apart on the following terms and conditions:

a. The Held-Separate Business shall be held separate and apart and shall be operated independently of Saint-Gobain (meaning here and hereafter, Saint-Gobain excluding the Held-Separate Businesses and excluding all personnel connected with the Held-Separate Businesses as of the date this Hold Separate is signed) except to the extent

that Saint-Gobain must exercise direction and control over the Held-Gobain must exercise direction and control over the Held-Separate Businesses to assure compliance with this Hold Separate or with the Consent Order.

b. Saint-Gobain shall not exercise direction or control over, or influence directly or indirectly, the Held-Separate Business, the New Board or Management Committee (as defined in subparagraph 5.d.), or any of its operations or businesses; provided, however, that Saint-Gobain may exercise only such direction and control over the Held-Separate Businesses as is necessary to assure compliance with this Hold Separate or with the Consent Order.

c. Saint-Gobain shall maintain the marketability, viability and competitiveness of the Held-Separate Businesses, and shall not take such action that will cause or permit the destruction, removal, wasting, deterioration or impairment of the Held-Separate Businesses, except in the ordinary course of business and except for ordinary wear and tear, and shall not sell, transfer, encumber (other than in the normal course of business), or otherwise impair the marketability, viability or competitiveness of the Held-Separate Businesses.

d. Upon consummation of the Acquisition, Saint-Gobain shall elect a three-person Board of Directors for the Held-Separate Business (the “New Board”), or a three-person Management Committee. After the Order is made final pursuant to Section 2.34 of the Commission’s rules, Saint-Gobain may elect a separate New Board or Management Committee for each of the Held-Separate Businesses. Each New Board or Management Committee for each Held-Separate Business shall consist of at least two Carborundum officers knowledgeable about the Held-Separate Business, one of whom shall be named Chairman of the New Board or Management Committee, and who shall remain independent of Saint-Gobain and competent to assure the continued viability and competitiveness of the Held-Separate Business, and one New Board or Management Committee Member who may also be an officer, agent or employee of Saint-Gobain (the “Saint-Gobain New Board Management Committee Member”). The Saint-Gobain New Board or Management Committee Member for each New Board or Management Committee for each Held-Separate Business shall not have any direct responsibility relating to any Saint-Gobain business that manufactures, markets or uses the

products, or products that compete with, products manufactured or marketed by such Held-Separate Business. Except for the Saint-Gobain New Board or Management Committee Member, Saint-Gobain shall not permit any director, officer, employee or agent of Saint-Gobain also to be a director, officer, employee or agent of Carborundum. Each New Board or Management Committee member shall enter into a confidentiality agreement agreeing to be bound by the terms and conditions of this Hold Separate.

e. Except as required by law and except to the extent that necessary information is exchanged in the course of complying with this Hold Separate or the Consent Order, or in the course of defending investigations or litigation or obtaining legal advice, or providing risk management services, Saint-Gobain shall not receive or have access to, or the use of, any Material Confidential Information of the Held-Separate Businesses, not in the public domain, except as such information would be available to Saint-Gobain in the ordinary course of business if the Acquisition had not taken place. Saint-Gobain may receive on a regular basis from the Held-Separate Businesses aggregate financial information necessary and essential to allow Saint-Gobain to file financial reports, tax returns and personnel reports, and such other information, other than information relating specifically to the Carborundum Properties to Be Divested, necessary in the course of evaluating and consummating the Acquisition. Any such information that is obtained pursuant to this subparagraph shall only be used for the purposes set out in this subparagraph. (“Material Confidential Information,” as used in this Hold Separate, means competitively sensitive or proprietary information not independently known to Saint-Gobain from sources other than the Held-Separate Businesses or the New Board or Management Committee, as applicable, and includes but is not limited to customer lists, customers, price lists, prices, individual transactions, marketing methods, patents, technologies, processes, or other trade secrets.) In no event shall Saint-Gobain receive Material Confidential Information relating to any specific customer of Carborundum.

f. Saint-Gobain may retain an independent auditor to monitor the operation of the Held-Separate Businesses. Said auditor may report in writing to Saint-Gobain on all aspects of the operation of the Held-Separate Businesses other than information on customer lists, customers, price lists,

prices, individual transactions, marketing methods, patents, technologies, processes, or other trade secrets.

g. Except as permitted by this Hold Separate, the New Board or Management Committee member appointed by Saint-Gobain who is also an officer, agent, or employee of Saint-Gobain shall not receive any Material Confidential Information of the Held-Separate Businesses or Material Confidential Information of any person other than Saint-Gobain and shall not disclose any such information obtained through his or her involvement with the Held-Separate Businesses to Saint-Gobain or use it to obtain any advantage for Saint-Gobain. The Saint-Gobain New Board or Management Committee Member shall participate in matters that come before the New Board or Management Committee only for the limited purpose of considering any capital investment of over \$250,000 for the Carborundum Fused Cast Refractories Properties to Be Divested, any capital investment over \$150,000 for the Carborundum Igniters Properties to Be Divested, any capital investment over \$150,000 for the Carborundum Silicon Carbide Properties to Be Divested, approving any proposed budget and operating plans, authorizing dividends and repayment of loans consistent with the provisions hereof, reviewing any material transactions described in paragraph 5.g., and carrying out Saint-Gobain's responsibilities under the Hold Separate and the Consent Order. Except as permitted by the Hold Separate, the Saint-Gobain New Board or Management Committee Member shall not participate in any other matter.

h. All material transactions, out of the ordinary course of business and not precluded by paragraph 5 hereof, shall be subject to a majority vote of the New Board or Management Committee (as defined in paragraph 5.d. hereof).

i. Saint-Gobain shall not change the composition of the New Board or Management Committee unless the Chairman of the New Board or Management Committee consents, or unless it is necessary to do so in order to assure compliance with this Hold Separate or with the Consent Order. The Chairman of the New Board or Management Committee shall have the power to remove members of the New Board or Management Committee for cause and to require Saint-Gobain to appoint replacement members of the New Board or Management Committee. Saint-Gobain shall not change the composition of the management of the Held-Separate Businesses except that

the New Board or Management Committee shall have the power to remove management employees for any legal reason. If the Chairman ceases to act or fails to act diligently, a substitute Chairman shall be appointed in the same manner as provide in paragraph 5.d. Saint-Gobain shall circulate to the management employees of Carborundum and appropriately display a notice of the Hold Separate and the Consent Agreement at a conspicuous place at all offices and facilities of the Held-Separate Businesses.

j. All earnings and profits of the Held-Separate Businesses shall be retained separately by Carborundum or the Carborundum Properties to Be Divested, as applicable. If necessary, Saint-Gobain shall provided the Held-Separate Businesses with sufficient working capital to operate at current rates of operation, upon commercially reasonable terms.

k. Should the Federal Trade Commission seek in any proceeding to compel Saint-Gobain to divest itself of Carborundum or to compel Saint-Gobain to divest any assets or businesses of Carborundum that it may hold, or to seek any other injunctive or equitable relief, Saint-Gobain shall not raise any objection based upon the expiration of the applicable Hart-Scott-Rodino Antitrust Improvements Act waiting period or the fact that the Commission has permitted the Acquisition. Saint-Gobain also waives all rights to contest the validity of this Hold Separate.

6. For the purpose of determining or securing compliance with this Hold Separate, subject to any legally recognized privilege, and upon written request and ten days' notice to Saint-Gobain, Saint-Gobain shall permit any duly authorized representative(s) of the Commission:

a. Access during the office hours of Saint-Gobain and in the presence of counsel to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of Saint-Gobain or Carborundum relating to compliance with this Hold Separate;

b. Without restraint or interference from Saint-Gobain, to interview Saint-Gobain's or Carborundum's officers, directors or employees, who may have counsel present, regarding any such matters.

Analysis To Aide Public Comment on the Provisionally Accepted Consent Order

The Federal Trade Commission ("the Commission") has accepted, for public

comment, from Compagnie de Saint-Gobain and Saint-Gobain/Norton Industrial Ceramics Corporation, a wholly-owned subsidiary of Compagnie de Saint-Gobain (collectively "Saint-Gobain") an agreement containing a consent order. This agreement has been placed on the public record for sixty days for reception of comments from interested persons.

Comments received during this period will become part of the public record. After sixty days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's order.

The Commission's investigation of this matter concerns the proposed acquisition by Compagnie de Saint-Gobain, through its wholly-owned subsidiary, Societe Europeene des Produits Refractaires ("SEPR), of certain of the subsidiaries of British Petroleum Company p.l.c., which together comprise The Carborundum Company ("Carborundum"). As part of this acquisition, Saint-Gobain/Norton Industrial Ceramics Corporation will acquire United States assets of Carborundum, other than those relating to ceramic fibers. The Commission's proposed complaint alleges that Saint-Gobain and Carborundum compete with in each other in three lines of commerce: fused cast refractories, which glass manufacturers use to line furnaces; hot surface igniters ("HSIs"), which gas appliance manufacturers use as ignition sources; and silicon carbide refractory bricks, which manufacturers of aluminum, steel and other metals use to line furnaces.

The agreement containing consent order would, if finally accepted by the Commission, settle charges that the acquisition may substantially lessen competition in the production and sale of fused cast refractories, HSIs and silicon carbide refractory bricks in the United States and lead to a monopoly in those lines of commerce. The Commission has reason to believe that the acquisition and agreement violate Section 5 of the FTC Act and the acquisition would have anticompetitive effects and would violate Section 7 of the Clayton Act and Section 5 of the Federal Trade Commission Act if consummated, unless an effective remedy eliminates such anticompetitive effects.

With respect to the market for fused cast refractories, which are used primarily by glass manufacturers in the furnaces where they melt raw materials, the Commission's complaint alleges that these refractories provide unique

characteristics, and that as a result, the use of these materials would not be diminished by even a large price increase. Imports of fused cast refractories, the Complaint further alleges, are small and come primarily from Saint-Gobain. Saint-Gobain and Carborundum are the only two producers of fused cast refractories in the United States, and entry of other producers not only is unlikely, but would be very time-consuming. The Commission's Complaint alleges that the proposed acquisition, which would result in a monopoly in the United States, would lessen competition by eliminating competition between Saint-Gobain and Carborundum, and would lead to higher prices and less product innovation.

In the market for HSIs, which are used primarily by gas appliance manufacturers as an ignition source, the Commission's Complaint alleges that HSIs, which differ by application in design and price, are the most reliable and cost-effective ignition sources for most types of gas appliances, such as ranges, dryers and furnaces. Moreover, customers would have to redesign appliances to use other products. As a result, according to the Complaint, the use of HSIs would not be diminished by even a large price increase. Saint-Gobain and Carborundum account for nearly all sales of HSIs in the United States, and the only other producer of HSIs in the United States has only limited sales, nearly all of which are to the aftermarket. The Commission's Complaint, citing factors such as the history of failed entry and the time required for new entry, alleges that entry would not deter or alleviate the anticompetitive effects of the acquisition. Therefore, according to the Commission's Complaint, the proposed acquisition, which would result in a near monopoly in the United States in HSIs and would combine the two closest substitutes under Saint-Gobain's control even if alternative ignition sources were included in the market, would lessen competition by eliminating competition between Saint-Gobain and Carborundum, and would lead to higher prices and less product innovation.

In the market for silicon carbide refractory bricks, which are used in such applications as lining aluminum reduction cells, steel blast furnaces and copper shaft furnaces, the Commission's Complaint alleges that because of the excellent corrosion resistance provided by silicon carbide, its use in these applications would not be diminished by a significant price increase. Imports of silicon carbide refractory bricks,

according to the Commission's Complaint, would not constrain pricing in the United States. In the market for silicon carbide refractory bricks, the Complaint alleges, Saint-Gobain and Carborundum account for virtually all sales, and new entry of a competitive producer would both be unlikely and take a long time. Therefore, the Complaint alleges, the proposed acquisition would allow Saint-Gobain to unilaterally exercise market power, leading to higher prices for silicon carbide refractory bricks.

The proposed order accepted for public comment contains provisions that would require Saint-Gobain to divest Carborundum's Monofrax fused cast refractories business, Carborundum's HSI business, and its United States silicon carbide refractories manufacturing plant to an acquirer or acquirers receiving the prior approval of the Commission, by February 28, 1997. The divestitures include those portions of the centralized research and development operations at Carborundum that are related to these businesses. In addition to divesting these businesses, Saint-Gobain must divest ancillary assets and businesses and make any arrangements necessary to assure that these Carborundum properties are capable of being operated independently and competitively by the acquirer or acquirers of the businesses. Saint-Gobain's divestitures of the Carborundum businesses, if completed, would satisfy the requirements of the Order and remedy the lessening of competition alleged in the Complaint.

The proposed order provides that in lieu of divestiture of the Carborundum Monofrax fused cast refractories business, Saint-Gobain may propose divestiture of its own Corhart Refractories fused cast refractories business, together with results of related research and development done within Saint-Gobain organization, including research and development done overseas. Because the Corhart business is operated as part of the Saint-Gobain fused cast refractory business worldwide, and relies on the Saint-Gobain organization for certain support activities, the Commission has retained the discretion to approve or disapprove this alternative divestiture of the Corhart business, depending on whether divestiture to a particularly proposed acquirer fully satisfies the purposes of the proposed order and remedies the lessening of competition alleged in the Complaint. Among the factors that may be relevant to this issue include the nature of the business of the proposed acquirer, as well as the proposed acquirer's independent research and

development capabilities in fused cast refractories and its product lines and sales and marketing organization for fused cast refractories, in light of the fact that Corhart would be divorced from Saint-Gobain's similar capabilities in fused cast refractories if such divestiture is approved. If Saint-Gobain proposes divestiture of the Corhart business, and its request is disapproved by the Commission, Saint-Gobain would continue to have the obligation to divest the Carborundum fused cast refractory business to a Commission approved acquirer by February 28, 1997.

The proposed order also provides that in lieu of divestiture of Carborundum's Keasbey, New Jersey silicon carbide refractories manufacturing facility in the United States, Saint-Gobain may propose, by August 30, 1996, to license Carborundum technology for the manufacture of nitride-bonded, sialon-bonded, and other types of silicon carbide refractory bricks, which technology the licensee could use to produce both bricks and other products. The Commission has retained the discretion to approve or disapprove the technology license to a particular proposed licensee depending on whether the proposed license and licensee fully satisfies the purposes of the proposed order and remedies the lessening of competition alleged in the Complaint. Among the factors that may be relevant to this issue are the likelihood that the licensee would enter into production and sale of silicon carbide refractory bricks, the time required for the licensee to enter and have a significant market impact in silicon carbide refractory bricks, the licensee's manufacturing capabilities and costs, and the types of products that the licensee intends to manufacture and market.

Under the terms of the proposed order, Saint-Gobain must divest Carborundum's fused cast refractories, HSI, and silicon carbide refractories businesses by February 28, 1997. If Saint-Gobain fails to divest either Carborundum's fused cast refractories, HSI, or silicon carbide performance refractories business by that date, or fails to accomplish the alternative divestiture or licensing if approved by the Commission, then the Commission may appoint a trustee to divest any remaining properties yet to be divested, along with ancillary assets or other arrangements that may be necessary to assure that any property yet to be divested is capable of being operated independently and competitively by its acquirer or acquirers.

A hold separate agreement made a part of the consent agreement requires

Saint-Gobain, until the proposed order is made final, to hold separate Carborundum, but allows Saint-Gobain to integrate certain discrete assets of Carborundum unrelated to the lines of commerce of competitive concern. It further requires Saint-Gobain, until it accomplishes the divestitures of Carborundum's fused cast refractories, HSI or silicon carbide business required by the order, or the alternative divestiture or licensing, or until the trustee accomplishes the divestitures required by the order, to hold separate and preserve all of the assets and businesses to be divested.

The purpose of this analysis is to invite public comment concerning the proposed order. This analysis is not intended to constitute an official interpretation of the agreement and

order or to modify their terms in any way.

By direction of the Commission.
 Donald S. Clark,
Secretary.
 [FR Doc. 96-5224 Filed 3-6-96; 8:45 am]
BILLING CODE 6750-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Proposed Collection; Comment Request

Proposed Project(s)

Title: State Plan for Foster Care and Adoption Assistance—Title IV-E.

OMB No.: 0980-0141.

Description: Under section 471(a)(16) of title IV-E of the Social Security Act, in order for a State to be eligible for payments they must have an approved State plan which provides for the development of a case plan (as defined in section 475(l)) for each child receiving foster care maintenance payments and provides a case review system which meets the requirements in section 475(5)(B). Through these requirements the State also complies with title IV-B, section 422(b)(9) (as of 4/1/96), which assures certain protections for children in foster care.

Respondents: State governments.

Annual Burden Estimates:

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Case plan	445,000	1	4	1,780,000

Estimated Total Annual Burden Hours: 1,780,000.

In compliance with the requirements of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Administration for Children and Families is soliciting public comment on the specific aspects of the information collection described above. Copies of the proposed collection of information can be obtained and comments may be forwarded by writing to The Administration for Children and Families, Office of Information Services, Division of Information Resource Management Services, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447, Attn: ACF Reports Clearance Officer. All requests should be identified by title.

In addition, requests of copies may be made and comments forwarded to the Reports Clearance Officer over the Internet by sending a message to rkatson@acf.dhhs.gov. Internet messages must be submitted as an ASCII file

without special characters or encryption.

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted within 60 days of this publication.

Dated: March 1, 1996.
 Roberta Katson,
Director, Division of Information Resource Management Services.
 [FR Doc. 96-5389 Filed 3-6-96; 8:45 am]
BILLING CODE 4184-01-M

Proposed Collection; Comment Request

Proposed Project(s)

Title: Adoption and Foster Care Analysis Reporting System for title IV-B and title IV-E.

OMB No.: 0980-0267.

Description: Section 479 of title IV-E of the Social Security Act directs States to establish and implement an adoption and foster care reporting system. The purpose of the data collected is to inform State/Federal policy decisions, program management, respond to Congressional and Department inquiries. Specifically, the data is used for short/long-term budget projections, trend analysis, and target areas for improved technical assistance. The data will provide information about foster care placements, adoptive parents, length of time in care, delays in termination of parental rights and placement for adoption.

Respondents: State governments.

Annual Burden Estimates:

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Reporting System	51	2	3,251	331,602

Estimated Total Annual Burden Hours: 331,602.

In compliance with the requirements of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the

Administration for Children and Families is soliciting public comment on the specific aspects of the