

FEDERAL RESERVE SYSTEM**Formations of, Acquisitions by, and Mergers of Bank Holding Companies**

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will 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. 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 October 3, 1997.

A. Federal Reserve Bank of St. Louis
(Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *National City Bancshares, Inc.*, Evansville, Indiana; to merge with Fourth First Bancorp, Inc., Huntingburg, Indiana, and thereby indirectly acquire First Bank of Huntingburg, Huntingburg, Indiana.

Board of Governors of the Federal Reserve System, September 3, 1997.

Jennifer J. Johnson,
Deputy Secretary of the Board.

[FR Doc. 97-23726 Filed 9-5-97; 8:45 am]

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FEDERAL TRADE COMMISSION

[File No. 961-0106]

Insilco Corporation; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint that accompanies the consent agreement and the terms of the consent order—embodies in the consent agreement—that would settle these allegations.

DATES: Comments must be received on or before November 7, 1997.

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

FOR FURTHER INFORMATION CONTACT: Casey R. Triggs, Federal Trade Commission, S-2308, 6th St. and Pa. Ave., N.W., Washington, D.C. 20580. (202) 326-2682. Nicholas R. Koberstein, Federal Trade Commission, S-2308, 6th St. and Pa. Ave., N.W., Washington, D.C. 20580. (202) 326-2743.

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 above-captioned 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. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the accompanying complaint. An electronic copy of the full text of the consent agreement package can be obtained from the Commission Actions section of the FTC Home Page (for August 27, 1997), on the World Wide Web, at "<http://www.ftc.gov/actions/htm>." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580, either in person or by calling (202) 326-3627.

Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Proposed Consent Order To Aid Public Comment

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

comment an agreement containing a proposed Consent Order from Insilco Corporation ("Insilco"). The proposed Consent Order contains a number of provisions designed to remedy the anticompetitive effects that have resulted, and that are likely to continue to occur, because of Insilco's acquisition of the assets of Helima-Helvetion, Inc. ("Helima") from Helima's German parent company, Helmut Lingemann & Co. GmbH ("Lingemann").

The Transaction

Pursuant to a purchase agreement dated July 10, 1996, Insilco acquired from Lingemann the assets of Helima, a New York corporation with its only plant in Duncan, South Carolina, and the stock of ARUP Alu-Rohr und Profil GmbH, Lingemann's German subsidiary engaged in the production and supply of welded-seam aluminum tubes.

The Complaint

The proposed complaint alleges that the consummated acquisition of Helima violates Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, in two relevant markets: (1) the market for welded-seam aluminum tubes with diameters of 50 millimeters or greater; and (2) the market for welded-seam aluminum tubes with diameters less than 50 millimeters. Welded-seam aluminum tubes with diameters of 50 millimeters or greater are generally used in charged air coolers ("CAC") installed on heavy-weight trucks,¹ whereas welded-seam aluminum tubes with diameters less than 50 millimeters are generally used in radiators. In both CAC and radiators, the welded-seam aluminum tubes act as the heat exchange component, which is a device that transfers heat from one fluid or gas to another medium, generally air.

The complaint alleges that Insilco's acquisition of Helima gave it a virtual monopoly or near-monopoly in these two types of welded-seam aluminum tubes. This acquisition thereby increased the likelihood that consumers would be forced to pay higher prices for welded-seam aluminum CAC and radiator tubes.

A. The Welded-Seam Aluminum CAC Tube Market

In the market for welded-seam aluminum CAC tubes, Insilco's post-acquisition market share is 100%. Currently, there is no foreign supplier of

¹ Heavy-weight truck is the designation given to a truck over 19,000 lbs. The Department of Transportation categorizes such trucks as either Class 6, 7, or 8 vehicles.

welded-seam aluminum CAC tubes shipping product into North America, and it is unlikely that there will be such a supplier in the next two years, or at any time in the foreseeable future. Because the cost of entering and producing welded-seam aluminum CAC tubes is relatively high compared to the limited potential sales revenues available to an entrant, entry into this market is not likely to be profitable, and is therefore not likely to occur in a timely manner to counteract the additional anticompetitive effects likely to result from the Helima acquisition. Indeed, there has been no entry into the market for welded-seam aluminum CAC tubes since the acquisition of Helima nearly a year ago, nor has the threat of entry deterred any of the actual anticompetitive effects resulting from the acquisition.

B. The Welded-Seam Aluminum Radiator Tube Market

In the merchant market for welded-seam aluminum radiator tubes, Insilco's post-acquisition market share increased to about 90%. Although there is one foreign supplier of welded-seam aluminum radiator tubes shipping product into North America, that supplier has limited sales. It is highly unlikely that this supplier's market share will significantly expand within the next two years because of import duties, shipping costs and time, and customer concerns about the accessibility of the supplier.

Entry sufficient to avert the anticompetitive effects of this acquisition is unlikely. Indeed, there has been no entry into the market for welded-seam aluminum radiator tubes since the time of the Helima acquisition, and the threat of entry has not deterred anticompetitive effects resulting from the Helima acquisition.

C. The Pre-Consummation Transfer of Competitively-Sensitive Information

The proposed complaint also alleges that Lingemann, at Insilco's request, gave Insilco comprehensive competitively-sensitive information before consummation of the acquisitions. In particular, Helima gave Insilco customer-specific price information, current and future pricing plans, competition strategies, price formulas, and price strategies. This information transfer was particularly harmful because Insilco and Helima competed against each other in two highly concentrated markets (duopolies) and the information concerned products that are relatively fungible. This transfer had the potential to harm competition in the interim pre-consummation period

and in the event the acquisitions were delayed, modified, or abandoned, may have led to even greater and more long-lasting harm. The complaint thus alleges that the transfer of such competitively-sensitive information in such highly concentrated markets violates Section 5.

The Consent Order

The proposed Consent Order requires Insilco to divest two welded-seam aluminum tube mills (out of the assets acquired from Lingemann) within four months of the date on which the proposed Consent Order becomes final. The proposed Consent Order also prohibits Insilco from engaging in the pre-consummation transfer of competitively-sensitive information.

A. Divestiture Provisions

Under the proposed Consent Order, Insilco is required to divest two welded-seam aluminum tube mills from the former Helima Duncan, South Carolina facility. One of the mills to be divested must be capable of producing welded-seam aluminum CAC tubes, and one must be capable of producing radiator tubes. In addition, the package of assets to be divested includes one set of tooling that is capable of being used on both mills, as well as additional ancillary assets such as machinery, fixtures, equipment, and software used in the maintenance and operation of the assets to be divested. Further, Insilco must provide the acquirer access to Insilco employees with knowledge of the Helima mills for the purposes of training, and must sell to the acquirer sole-source spare and replacement parts. Pursuant to a customer's request, Insilco would be required to divest to the acquirer the tooling used to make that customer's tubes. If Insilco fails to divest the package of assets within four months after the date on which the proposed Consent Order becomes final, the Commission may appoint a trustee to divest all five of the mills located at the former Helima plant in Duncan, South Carolina.

To help ensure that the acquirer has access to customers, the proposed Consent Order includes a provision prohibiting Insilco's enforcement of any supply contracts that were entered into after the acquisition and that are operative for a period greater than one year. Further, the proposed Consent Order requires Commission approval of the acquirer, and requires a potential acquirer to submit a five year business plan showing how it will use the divested assets, how it will compete in the markets, and that the divested assets will remain and be competitive in North America. The purpose of the divestiture

is to ensure the reinstitution of a viable, ongoing competitor to Insilco in the markets for welded-seam aluminum CAC tubes and welded-seam aluminum radiator tubes.

The proposed Consent Order also requires Insilco to provide the Commission a report of compliance with the divestiture provisions of the Consent Order within 30 days following the date the proposed Consent Order becomes final, and every 30 days thereafter until Insilco has completed the required divestiture.

Finally, Insilco will be required to provide prior notification to the Commission for certain acquisitions involving tube mills or tube producers.

B. Bar on Information Transfer

The proposed Consent Order prohibits Insilco from obtaining, or providing, prior to the consummation of an acquisition or sale of an interest in any of its businesses, customer-specific price and cost information, current or future pricing plans, current or future strategies or policies relating to competition, and analyses or formulas used to determine costs or prices. The proposed Consent Order thus prohibits the exchange of specific types of information that would likely harm competition in any market. The proposed Consent Order does, however, acknowledge that a situation might arise wherein Insilco, or a future acquisition partner, may benefit from having access to competitively-sensitive information in order to assess a proposed acquisition. In such a case, the party possessing such information would be allowed under the proposed Consent Order to transfer the information to an independent agent who will mask the customer-specific and/or competitor-specific nature of the information before providing it to its acquisition partner. Transferring this type of information through an independent agent permits the benefits of the information transfer while avoiding the potential for injury to competition.

Public Comment

The proposed Consent Order has been placed on the record for 60 days for reception of comments by interested persons. Comments received during this period will become part of the public record. After 60 days, the Commission will again review the agreement and the comments received, and will decide whether to withdraw from the agreement or make final the agreement's proposed Order.

The purpose of this analysis is to facilitate the public comment on the proposed Consent Order, and it is not

intended to constitute an official interpretation of the agreement and proposed Consent Order or to modify in any way its terms.

Donald S. Clark,
Secretary.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Health Care Policy and Research

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Agency for Health Care Policy and Research, HHS.

ACTION: Notice.

SUMMARY: This notice announces the Agency for Health Care Policy and Research's (AHCPR) intention to request the Office of Management and Budget (OMB) to allow a proposed information collection of the 'Medical Expenditure Panel Survey Household Component (MEPS HC)—Panels 3 and 4.' In accordance with the Paperwork Reduction Act of 1995, Pub. L. 104-13 (44 U.S.C. 3506(c)(2)(A)), AHCPR invites the public to comment on this proposed information collection.

DATES: Comments on this notice must be received by November 7, 1997.

ADDRESSES: Written comments should be submitted to: Ruth A. Celtnieks, Reports Clearance Officer, AHCPR, 2101 East Jefferson Street, Suite 500, Rockville, MD 20852-4908.

All comments will become a matter of public record.

FOR FURTHER INFORMATION CONTACT:
Ruth A. Celtnieks, AHCPR Reports Clearance Officer, (301) 594-1406, ext. 1497.

SUPPLEMENTARY INFORMATION:

Proposed Project

"Medical Expenditure Panel Survey Household Component (MEPS-HC)—Panels 3 and 4."

The AHCPR intends to conduct an annual panel survey of U.S. households to collect information on a variety of measures related to health status, health insurance coverage, health care use and expenditures, and sources of payment for health services. Each panel consists of a nationally representative sample of U.S. households who remain in MEPS for two consecutive years of data collection. The first two panels of MEPS began in 1996 and 1997. Panels 3 and

4 of the MEPS-HC begin in 1998 and 1999, respectively. The MEPS-HC is jointly sponsored by the AHCPR and the National Center for Health Statistics (NCHS). It will be conducted using a sample of households selected from households which responded to the National Health Interview Survey (NHIS) sponsored by NCHS. The NHIS is a household survey which collects health related data from approximately 50,000 households and 110,000 people. Due to the Department of Health and Human Services (HHS) efforts to integrate survey data collection activities, the NHIS is used as the sampling frame for the MEPS and several other surveys.

Data to be collected from each household include detailed information on demographics, health conditions, current health status, utilization of health care providers, charges and payments for health care services, medications, employment and health insurance. Subject to AHCPR and NCHS confidentiality statutes, data will be made available through publications, articles in major journals as well as public use data files. The data are intended to be used for purposes such as:

- Generating national estimates of individual and family health care use and expenditures, private and public health insurance coverage, and the availability, costs and scope of private health insurance benefits among Americans;
- Examining the effects of changes in how chronic care and disability are managed and financed;
- Evaluating the growing impact of managed care and of enrollment in different types of managed care plans; and
- Examining access to and costs of health care for common diseases and conditions, prescription drug use, and other health issues.

Statisticians and researchers will use these data to make important generalizations on the civilian non-institutionalized population of the United States, as well as to conduct research in which the family is the unit of analysis.

Method of Collection

The data will be collected using a combination of modes. For example, the AHCPR intends to introduce study participants to the survey through advance mailings. The first contact will provide the household with information regarding the importance and uses of the information obtained. The AHCPR will then conduct five (in-person) interviews with each household to

obtain health care use and expense data. Lastly, the AHCPR will conduct one telephone interview with each household to obtain tax and asset information. Data will be collected using a computer-assisted personal interviewing method (CAPI). In certain cases, AHCPR will conduct interviews over the telephone, if necessary. Burden estimates follow:

Initial Number of Respondents:
10,000.

Panel 3: 4800.
Panel 4: 5200.

Number of Surveys Per Respondent: 6.
Average Burden Per Respondent: 9.0 hours.

Estimated Burden Total: 81,100 hours.

Panel 3: 39,050 hours.
Panel 4: 42,050 hours.

Request for Comments

Comments are invited on: (a) the necessity of the proposed collection; (b) the accuracy of the Agency's estimate of 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 the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection.

Copies of these proposed collection plans and instruments can be obtained from the AHCPR Reports Clearance Officer (see above).

Dated: September 2, 1997.

John M. Eisenberg,
Administrator.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

Advisory Committee; Notice of Meeting

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). At least one portion of the meeting will be closed to the public.

Name of Committee: Clinical Chemistry and Clinical Toxicology Devices Panel of the Medical Devices Advisory Committee.