International Trade Commission, 511 F.3d 1132 (Fed. Cir. 2007). Intervenor Flexsys America L.P. (''Flexsys'') petitioned the Federal Circuit for rehearing and rehearing *en banc.* The Commission supported rehearing. On April 7, 2008, the Federal Circuit denied the petition for rehearing and rehearing *en banc.* The mandate of the Court issued on April 14, 2008.

On June 3, 2008, the Commission determined to rescind the limited exclusion order relating to the importation of rubber antidegradants made by Sinorgchem and Sovereign and to remand the investigation to the presiding ALJ for proceedings consistent with *Sinorgchem Co., Shandong* v. *International Trade Commission,* 511 F.3d 1132 (Fed. Cir. 2007), including issuance of a final initial determination on violation and a recommended determination on remedy and bonding.

The parties to the remand proceeding are Flexsys, Sinorgchem, Sovereign, and the Commission investigative attorney.

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), the Administrative Procedure Act, and Part 210 of the Commission's Rules of Practice and Procedure (19 CFR Part 210).

By order of the Commission.

Issued: June 13, 2008.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. E8–13875 Filed 6–18–08; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Antitrust Division

United States v. Cengage Learning Holdings I, L.P., Cengage Learning Holdings II L.P., Cengage Learning, Inc., Apax/Tl Holdings, LLC, Education Media and Publishing Group Limited, and Houghton Mifflin Harcourt Publishing Company; Proposed Final Judgment and Competitive Impact Statement

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)–(h), that a proposed Final Judgment, Asset Preservation Stipulation and Order, and Competitive Impact Statement have been filed with the United States District Court for the District of Columbia in *United States* v. *Cengage Learning Holdings I, L.P.,* Civil Action No. 1:08–cv–00899. On May 28, 2008, the United States filed a Complaint alleging that the proposed acquisition by Cengage Learning of the assets of Houghton Mifflin College Division would violate section 7 of the Clayton Act, 15 U.S.C. 18. The proposed Final Judgment, filed at the same time as the Complaint, requires Cengage Learning to divest assets related to textbooks and educational materials used in 14 college-level courses.

Copies of the Complaint, proposed Final Judgment, and Competitive Impact Statement are available for inspection at the Department of Justice, Antitrust Division, Antitrust Documents Group, 450 Fifth Street, NW., Suite 1010, Washington, DC 20530 (*telephone:* 202–514–2481), on the Department of Justice's Web site at *http://www.usdoj.gov/atr*, and at the Office of the Clerk of the United States District Court for the District of Columbia. Copies of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Public comment is invited within 60 days of the date of this notice. Such comments, and responses thereto, will be published in the **Federal Register** and filed with the Court. Comments should be directed to James J. Tierney, Chief, Networks & Technology Enforcement Section, Antitrust Division, Department of Justice, 600 E Street, NW., Suite 9500, Washington, DC 20530 (*telephone:* 202–307–6200).

Patricia A. Brink,

Deputy Director of Operations, Antitrust Division.

The United States District Court for the District of Columbia

United States of America, United States Department of Justice, Antitrust Division, 600 E Street, NW., Suite 9500, Washington, DC 20530, Plaintiff, v. Cengage Learning Holdings I, L.P., Cengage Learning Holdings II L.P., Cengage Learning, Inc., Apax/Tl Holdings, LLC, Education Media and Publishing Group Limiited, and Houghton Mifflin Harcourt Publishing Company, Defendants

Case No.:
Judge:
Case: 1:08–cv–00899, Assigned To: Bates, John D., Assign. Date: 5/28/2008, Description: Antitrust.

Complaint

The United States of America, acting under the direction of the Attorney General of the United States, brings this civil antitrust action to enjoin the proposed acquisition by Cengage Learning, Inc. and related entities (collectively ''Cengage''), of the assets of the Houghton Mifflin College Division (''HM College'') from Houghton Mifflin Harcourt Publishing Company and a related entity (collectively ''Houghton Mifflin''), and to obtain equitable and other relief. The United States complains and alleges as follows:

I. Nature of the Action

1. On or about November 30, 2007, Cengage and Houghton Mifflin entered into an agreement for Cengage to acquire the assets of HM College for approximately $750 million.

2. Cengage and HM College publish textbooks and other educational materials and are direct competitors in the development, publication, and sale of textbooks and ancillary print and electronic (including Internet-based) educational materials (collectively ''textbooks and ancillary materials'') used in numerous courses taught at higher education institutions throughout the United States.

For the courses listed in Appendix A of this Complaint (hereinafter ''the Overlap Courses''), Cengage and HM College publish textbooks and ancillary materials that compete head-to-head with each other and are close substitutes.

3. The markets for textbooks and ancillary materials used in the Overlap Courses are highly concentrated and have high barriers to entry. Cengage's proposed acquisition of the assets of HM College would eliminate competition between Cengage and HM College in these markets.

4. The United States brings this action to prevent Cengage's proposed acquisition of the assets of HM College because it is likely to substantially lessen competition in the development, publication, and sale of textbooks and ancillary materials used in the Overlap Courses in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18.

II. Parties to the Proposed Acquisition

5. Cengage Learning, Inc. is a Delaware corporation with its headquarters in Stamford, Connecticut. Cengage Learning Holdings I, L.P., a limited partnership with its headquarters in Stamford, Connecticut, is the ultimate parent entity of Cengage Learning, Inc. Cengage Learning Holdings II L.P., a limited partnership with its headquarters in Stamford Connecticut, is an intermediate entity between Cengage Learning Holdings I, L.P. and Cengage Learning, Inc. Apax/TL Holdings, LLC, a Delaware limited liability company, is the general partner in Cengage Learning Holdings I, L.P. The above entities (collectively ''Cengage'') develop, publish, and sell textbooks and ancillary materials for use

in the United States and elsewhere. Cengage is the second largest publisher of textbooks and ancillary materials used in courses taught at higher education institutions in the United States and ranks among the top three sellers of such textbooks and materials for each of the Overlap Courses. Cengage had total revenues of about $1.7 billion in the twelve-month period ending September 30, 2007, including about $1 billion in revenues from the sale of higher education textbooks and ancillary materials.

6. Houghton Mifflin Harcourt Publishing Company (formerly Houghton Mifflin Company) is a Massachusetts corporation with its headquarters in Boston, Massachusetts. Education Media and Publishing Group Limited, a Cayman Islands corporation with its headquarters in Dublin, Ireland, is the ultimate parent entity of Houghton Mifflin Harcourt Publishing Company. The above entities (collectively ''Houghton Mifflin'') develop, publish, and sell textbooks and ancillary materials for use in the United States and elsewhere. Houghton Mifflin's HM College Division is the fifth largest publisher of textbooks and ancillary materials used in courses taught at higher education institutions in the United States and ranks among the top three sellers of such textbooks and materials for each of the Overlap Courses. Houghton Mifflin has total annual revenues of about $2.5 billion, and estimated 2007 revenues of about $230 million from the sale of textbooks and ancillary materials by HM College.

III. Jurisdiction and Venue

7. The United States brings this action under Section 15 of the Clayton Act, as amended, 15 U.S.C. 25, to prevent and restrain the Defendants from violating section 7 of the Clayton Act, 15 U.S.C. 18.

8. Defendants' activities in developing, publishing, and selling textbooks and ancillary materials for use in the Overlap Courses are in the flow of and substantially affect interstate trade and commerce. This Court has subject matter jurisdiction over this action pursuant to section 12 of the Clayton Act, 15 U.S.C. 22, and 28 U.S.C. 1331, 1337(a), and 1345.

9. Defendants sell higher education textbooks and ancillary materials in, and have consented to venue and personal jurisdiction in, this judicial district. Venue is proper under 15 U.S.C. 22 and 28 U.S.C. 1391(d).

IV. Trade and Commerce

A. Relevant Product Markets for Textbooks and Ancillary Materials

10. Publishers market and sell textbooks and ancillary materials for use in courses taught at higher education institutions. In most cases, instructors select the textbooks and ancillary materials that will be used for their courses, and students buy the selected textbooks and ancillary materials.

11. Textbooks are often supplemented with ancillary educational materials, such as teacher's editions, audio-visual teaching tools, Internet content, CD-ROMs, workbooks, and study guides. These materials are often offered by publishers for free or as part of a discounted package to induce instructors to select a particular textbook and to induce students to purchase the publisher's textbooks and ancillary materials.

12. Textbooks and ancillary materials are used as the primary teaching materials in each of the Overlap Courses. Textbooks provide the core written material for the Overlap Courses and serve as the foundation for instructors' overall lesson plans. While instructors could use alternative teaching materials (such as copies of lecture notes and articles), they generally select textbooks to serve as the primary teaching materials for their courses because accessing and creating alternative teaching materials is often a more time-consuming, costly, and inefficient method of delivering high quality content to their students. Instructors using textbooks and ancillary materials would not turn to any alternative teaching materials in sufficient numbers to defeat a small but significant increase in the price of any textbooks and ancillary materials for the Overlap Courses, or a small but significant decrease in the quality of such textbooks and other materials.

13. Students taking the Overlap Courses are unlikely to have any significant alternatives to purchasing new textbooks for these courses. Although used textbooks, if available, can sometimes serve as alternatives for new textbooks, used textbooks are not uniformly available in large numbers. Moreover, instructors often require students to use the newest textbook editions. Publishers generally revise textbooks every three to four years and revised textbooks often differ substantially from their prior edition, limiting the extent to which used textbooks may be substituted for new editions of the same textbooks. Students would not turn to purchasing used textbooks in sufficient numbers to defeat a small but significant increase in the price of a new edition of the textbooks.

14. Each Overlap Course is a separate course focused on a different subject and therefore requires instructors and students in the course to use the textbooks and ancillary materials that have been developed for that course. For each Overlap Course, the textbooks and ancillary materials for that course constitute a separate relevant product market and a line of commerce pursuant to Section 7 of the Clayton Act.

B. The Relevant Geographic Market

15. Defendants market and sell textbooks and ancillary materials for use in courses taught at higher education institutions throughout the United States. Market participants for each relevant product market alleged herein are those publishers from which instructors select textbooks and ancillary materials for use as primary teaching materials in their courses. A hypothetical monopolist of the textbooks and ancillary materials sold for use in any Overlap Course in the United States could profitably lower the rate of quality improvements in and/or increase the price of such textbooks and ancillary materials in the United States. For each relevant product market alleged herein, the United States constitutes a relevant geographic market pursuant to Section 7 of the Clayton Act.

C. Anti Competitive Effects: Loss of Price and Product Quality Competition

16. In each relevant product and geographic market alleged herein, Cengage and HM College offer leading textbooks and ancillary materials that are close substitutes for a significant number of customers in that market. In each such market, Cengage and HM College are among the few firms with a significant presence that compete to provide textbooks and ancillary materials and consistently account for at least 35 percent of all sales. Using a standard concentration measure called the Herfindahl-Hirschman Index (or ''HHI,'' defined and explained in Appendix B), the proposed acquisition would substantially raise market concentration in highly concentrated markets, increasing the HHI by more than 500 and producing a post-merger HHI in excess of 3000 in each relevant market.

17. Cengage and HM College compete head-to-head to be selected by instructors to provide textbooks and ancillary materials for each Overlap Course in the United States. This competition has provided significant

incentives for each to publish new titles and improve product quality and has disciplined pricing decisions. The proposed acquisition would eliminate this competition in each relevant market, increasing the likelihood that Cengage will unilaterally increase prices or reduce its investment or other efforts to develop new or improved textbooks and ancillary materials.

18. The proposed acquisition is likely to substantially lessen competition in the development, publication, and sale of textbooks and ancillary materials in each of the relevant markets, in violation of Section 7 of the Clayton Act.

D. Entry: New Entrants Will Not Defeat an Exercise of Market Power

19. In each relevant product and geographic market alleged herein, there is unlikely to be timely entry by any firm that would be sufficient to defeat the likely anticompetitive effects of the proposed acquisition. Successful entry into developing, publishing, and selling textbooks and ancillary materials in each of the relevant markets is difficult, time-consuming, and costly.

20. Successful entry generally can be achieved only over many years and after at least one or more textbook revision cycles. Significant investment and effort are required to assemble authors, editorial staff, and reviewing professors, to develop and obtain licenses to copyrighted content and ancillary educational materials, and to train a knowledgeable sales force. The outcome of such effort would be highly uncertain because, among other things, the reputation of a successful incumbent textbook is difficult for a publisher of a new textbook to challenge. The leading textbooks in each relevant market have been published for some time and are well-known to instructors. Most instructors switch textbooks infrequently because they develop course syllabi, lesson plans, homework, tests, and other materials that conform to the textbooks they use, and changing textbooks usually requires modifications to course syllabi and other materials.

V. Violations Alleged

21. The United States incorporates the allegations of paragraphs 1 through 20 above.

22. The proposed acquisition of HM College by Cengage would substantially lessen competition in interstate trade and commerce in violation of section 7 of the Clayton Act, 15 U.S.C. 18.

23. Unless restrained, the acquisition would likely have the following anticompetitive effects, among others:

a. Actual and future competition between Cengage and Houghton Mifflin in the development, publication, and sale of textbooks and ancillary materials in each relevant product and geographic market alleged herein will be eliminated;

b. Competition in the development, publication, and sale of textbooks and ancillary materials in each relevant market will be substantially lessened; and

c. The rate of quality improvements in the textbooks and ancillary materials in each relevant market likely will decline and/or prices for such textbooks and ancillary materials likely will increase.

VI. Request for Relief

24. The United States requests that this Court:

a. Adjudge and decree the proposed acquisition to violate section 7 of the Clayton Act, 15 U.S.C. 18;

b. Enjoin and restrain the Defendants and all persons acting on their behalf from consummating the proposed acquisition or from entering into or carrying out any contract, agreement, plan, or understanding, the effect of which would be to combine HM College with the operations of Cengage;

c. Award the United States its costs for this action; and

d. Grant the United States such other and further relief as the Court deems just and proper.

Respectfully submitted,

For Plaintiff United States of America:
Thomas O. Barnett (D.C. Bar #426840),
Assistant Attorney General.
James J. Tierney (D.C. Bar #434610),
Chief, Networks & Technology Enforcement Section.
David L. Meyer (D.C. Bar #414420),
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John C. Filippini (D.C. Bar #165159).
Kent Brown.
Aaron Brodsky.
Attorneys, Networks & Technology Enforcement Section.
Antitrust Division, United States Department of Justice, 600 B Street, NW., Suite 9500, Washington, DC 20530, (202) 307–6200, Dated: May 28, 2008.

Appendix A

Overlap Courses

Business: Introductory.
Foreign Languages and Literature: French: Language: Business French.
Foreign Languages and Literature: French: Language: Intermediate.
Foreign Languages and Literature: German: Language: Grammar.
Foreign Languages and Literature: Italian: Language: Elementary.
Foreign Languages and Literature: Italian: Language: Intermediate.
History: Western Civilization Survey: 1500 to Present.
History: Western Civilization Survey: 1750 to Present.
History: Western Civilization Survey: Prehistory to 1715.
History: Western Civilization Survey: Prehistory to Present.
History: World History Survey: 1400 to 1750.
History: World History Survey: 1500 to Present.
History: World History Survey: Prehistory to Present.
Interdisciplinary Studies: Orientation to College.

Appendix B

Herfindahl-Hirschman Index

''HHI'' means the Herfindahl-Hirschman Index, a commonly accepted measure of market concentration. It is calculated by squaring the market share of each firm competing in the market and then summing the resulting numbers. For example, for a market consisting of four firms with shares of 30%, 30%, 20%, and 20%, the HHI is 2600 (302 + 302 +202 + 202 = 2600). The HHI takes into account the relative size distribution of the firms in a market and approaches zero when a market consists of a large number of small firms. The HHI increases both as the number of firms in the market decreases and as the disparity in size between those firms increases.

Markets in which the HHI is between 1000 and 1800 points are considered to be moderately concentrated, and those in which the HHI is in excess of 1800 points are considered to be highly concentrated. See Horizontal Merger Guidelines § 1.51 (revised Apr. 8, 1997). Transactions that increase the HHI by more than 100 points in concentrated markets presumptively raise antitrust concerns under the guidelines issued by the U.S. Department of Justice and Federal Trade Commission. See id.

The United States District Court for the District of Columbia

United States of America, Plaintiff, v. Cengage Learning Holdings I, L.P., Cengage Learning Holdings II L.P., Cengage Learning, Inc., Apax/Tl Holdings, LLC, Education Media and Publishing Group Limited, and Houghton Mifflin Harcourt Publishing Company, Defendants

Case No.: Judge: Case: 1:08–Cv–00899, Assigned To: Bates, John D., Assign. Date: 5/28/2008, Description: Antitrust.

Final Judgment

Whereas, plaintiff, United States of America, filed its Complaint on May 28, 2008, and the United States and Defendants, Cengage and Houghton

Mifflin, as defined below, by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or admission by any party regarding any issue of fact or law;

And whereas, Defendants agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

And whereas, the essence of this Final Judgment is the prompt and certain divestiture of certain rights or assets by the Defendants to assure that competition is not substantially lessened;

And whereas, the United States requires Defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

And whereas, Defendants have represented to the United States that the divestitures required below can and will be made and that Defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

Now Therefore, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, *it is ordered*, Adjudged and decreed:

I. Jurisdiction

This Court has jurisdiction over the subject matter and each of the parties to this action. The Complaint states a claim upon which relief may be granted against Defendants under Section 7 of the Clayton Act, as amended (15 U.S.C. 18).

II. Definitions

As used in this Final Judgment:

A. ''Cengage'' means Defendants Cengage Learning Holdings I, L.P, a limited partnership with its headquarters in Stamford, Connecticut; Cengage Learning Holdings II L.P., a limited partnership with its headquarters in Stamford, Connecticut, which is controlled by Cengage Learning Holdings I, L.P.; Cengage Learning, Inc., a Delaware corporation with its headquarters in Stamford, Connecticut, which is controlled by Cengage Learning Holdings II L.P.; and Apax/TL Holdings, LLC, a Delaware limited liability company that is the general partner in Cengage Learning Holdings I, L.P.; their successors, assigns, subsidiaries, divisions, groups, affiliates, partnerships, joint ventures; and their directors, officers, managers, agents, and employees.

B. ''Houghton Mifflin'' means Defendants Education Media and Publishing Group Limited, a Cayman Islands corporation with it headquarters in Dublin, Ireland, and Houghton Mifflin Harcourt Publishing Company, a Massachusetts corporation with its headquarters in Boston, Massachusetts, which is an indirect wholly-owned subsidiary of Education Media and Publishing Group Limited; their successors, assigns, subsidiaries, divisions, groups, affiliates, partnerships, joint ventures; and their directors, officers, managers, agents, and employees.

C. ''Divestiture Assets'' means all of the textbooks described in Exhibit A attached hereto and associated ancillary educational materials offered or under development by any of the Defendants for use with any such textbook. Each textbook includes all versions that are customizations of, components of supplements to, derivations of, volumes that address specific subjects or periods included in the subject matter of, or brief or ''essentials'' versions of the textbook, but does not include any customized publication sold prior to the filing of the Complaint in this matter that both (i) is not authored or co-authored by any author listed in Exhibit A, and (ii) contains content from an author identified in, or a textbook described in, Exhibit A that comprises less than twenty-five (25) percent of the publisher-provided content (hereafter ''Excluded Customized Publications''). The associated ancillary educational materials include all materials in any form or format offered or under development for use with any textbook, including teacher editions or aids, excerpts, workbooks, outlines, summaries, study guides, notebooks, charts, audio, video, software, CD-ROMs, DVD-ROMs, Internet and broadcast components, all other technology components, teacher support and staff development materials, and any other materials. The associated ancillary educational materials include (i) materials that are or will be offered specifically for use with any textbook listed on Exhibit A; (ii) materials that are or will be offered primarily for use with any such textbook, meaning at least fifty (50) percent of the total units of such materials shipped in the United States during the twelve-month period prior to the filing of the Complaint in this matter were associated with the sale of any such textbook (or for materials still under development, meaning at least fifty (50) percent of the total units of such materials forecast to be shipped in the United States during the twelve-month period following development are forecast to be associated with the sale of any such textbook) (hereafter ''Category (ii) Ancillary Materials''); and (iii) a one-year, nonexclusive, royalty-free license to use materials that have been offered during the twelve-month period prior to the filing of the Complaint in this matter for use in association with any of the textbooks described in Exhibit A but are offered primarily for use with other textbooks, meaning at least fifty (50) percent of the units of such materials shipped in the United States during the twelve-month period prior to the filing of the Complaint in this matter were associated with the sale of other textbooks. (The textbooks and associated ancillary educational materials are hereafter collectively referred to as ''Divested Textbooks.'')

(1) The Divestiture Assets Include:

(a) All tangible assets used in the development, production, servicing, marketing, distribution, and sale of the Divested Textbooks, including, but not limited to, all records relating to historic and current research data and activities and development activities relating to the Divested Textbooks; all original and digital artwork, film plates, and other reproductive materials relating to the Divested Textbooks; all manuscripts, illustrations, any other content, and any revisions or revision plans thereof in print or digital form; all finished inventory; all licenses, permits and authorizations issued by any governmental organization relating to the Divested Textbooks; all contracts, teaming arrangements, agreements, commitments, certifications, and understandings relating to the Divested Textbooks, including, but not limited to, author permissions and agreements, publishing agreements, research agreements, other similar agreements, and supply and distribution agreements; all customer lists, contracts, purchase orders, accounts, and credit records, or similar records of all sales and potential sales of the Divested Textbooks; all sales support and promotional materials, advertising materials, and production, sales and marketing files relating to the Divested Textbooks; at the option of the Acquirer(s), computers and other tangible assets used primarily for the production or distribution of the Divested Textbooks; and all performance and all other records relating to the Divested Textbooks; and

(b) All intangible assets used in the development, production, servicing, marketing, distribution, and sale of the Divested Textbooks, including, but not limited to; all patents, licenses and sublicenses, intellectual property,

copyrights, contract rights, trademarks (registered and unregistered), trade names, service marks, service names, including all titles of existing products comprising or relating to the Divested Textbooks, but only including nonexclusive licenses to use the corporate trademarks or trade names of Cengage or Houghton Mifflin sufficient to allow any Acquirer to sell finished inventory or other materials that have already been marked with such trademarks or trade names; all technical information, computer software and related documentation, know-how, trade secrets, drawings, blueprints, designs, design protocols, specifications for materials, quality assurance and control procedures, and manuals used for any purpose relating to the Divested Textbooks or that Defendants provide to their own employees, customers, suppliers, agents or licensees for use in relation to the Divested Textbooks; and all other intangible research data concerning historic and current research and development efforts relating to the Divested Textbooks.

(2) The Divestiture Assets Do Not Include:

(a) Except to the extent included in the non-exclusive license of materials described in Section II.C.(1)(b), the company names, company Internet domain names, and company trademarks of Defendants or any of their affiliates, or portions or elements thereof, including, but not limited to, ''Cengage'', ''South-Western'', ''Wadsworth'', ''Brooks Cole'', ''Heinle'', ''Houghton Mifflin'', ''HM'', and ''HMCo'';

(b) Defendants' employee records that may not be produced under applicable law; and

(c) Originals of books or records, as well as the information management systems used to create and store such books and records, that Defendants are required by law to retain or that Defendants determine are necessary or advisable to retain, provided that copies of any such books or records, or data sets that can be accessed by information management systems, are provided in a form useable by the Acquirer(s), subject to customary confidentiality assurances, to any Acquirer(s) or potential Acquirer(s).

D. ''Acquirer'' or ''Acquirers'' means the entity or entities to whom Defendants divest the Divestiture Assets.

III. Applicability

A. This Final Judgment applies to Cengage and Houghton Mifflin, as defined above, and all other persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise. Notwithstanding any other provision of this Final Judgment, Houghton Mifflin's obligations under sections IV.A, IV.H, V.A, V.B, V.D, VI.A shall cease upon completion of its sale of the Divestiture Assets to Cengage as part of its sale to Cengage of the assets of the Houghton Mifflin College Division.

B. If prior to complying with sections IV and V of this Final Judgment, Defendants sell or otherwise dispose of all or substantially all of their assets or of lesser business units that include the Divestiture Assets, they shall require the purchaser to be bound by the provisions of this Final Judgment. Defendants need not obtain such an agreement from the Acquirer(s) of the Divestiture Assets pursuant to this Final Judgment.

IV. Divestitures

A. Defendants are ordered and directed, within forty-five (45) calendar days after the filing of the Complaint in this matter, or five (5) calendar days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Divestiture Assets in a manner consistent with this Final Judgment to one or more Acquirers acceptable to the United States, in its sole discretion. The United States, in its sole discretion, may agree to one or more extensions of this time period not to exceed thirty (30) calendar days in total, and shall notify the Court in such circumstances. Defendants agree to use their best efforts to divest the Divestiture Assets as expeditiously as possible.

B. In accomplishing the divestitures ordered by this Final Judgment, Defendants promptly shall make known, by usual and customary means, the availability of the Divestiture Assets. Defendants shall inform any person making inquiry regarding a possible purchase of the Divestiture Assets that they are being divested pursuant to this Final Judgment and provide that person with a copy of this Final Judgment. Defendants shall offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all information and documents relating to the Divestiture Assets customarily provided in a due diligence process except such information or documents subject to the attorney-client privilege or work-product doctrine. Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

C. Defendants shall provide the Acquirer(s) and the United States the identity of any personnel responsible for any editorial content of any Divestiture Asset, and any personnel involved in the management, sale, marketing, development, design, layout, production, research, operation, delivery, distribution, acquisition or maintenance of licenses or other rights to copyrights or other intellectual property, or provision or development of seminars or training activities relating to any of the Divestiture Assets, to enable the Acquirer(s) to make offers of employment. Defendants will not interfere with any negotiations or attempts by the Acquirer(s) to employ or contract with any of Defendants' officers, directors, employees, or any other persons responsible for any such activity related to any Divestiture Asset and, if requested, will release any such person from any non-compete agreement with any of the Defendants.

D. Defendants shall permit prospective Acquirers of the Divestiture Assets to have reasonable access to personnel responsible for the Divestiture Assets (as described in section IV.C of this Final Judgment); and to have access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

E. Defendants shall warrant to all Acquirers of the Divestiture Assets that each asset is complete, intact, fully functional and operational on the date of sale, provided that, for any asset that is in development at the time of sale, Defendants shall describe the extent to which the asset is complete, intact, functional and operational and project the amount of time, money and effort required to complete the development. Defendants shall warrant to all Acquirers of the Divestiture Assets that each asset has been preserved, maintained, developed, sold, and operated as required by the Asset Preservation Stipulation and Order filed simultaneously with the Court.

F. Defendants shall not take any action that will impede in any way the permitting, publication, marketing, sale, development, administration, acquisition or maintenance of related licenses or other rights to copyrights or other intellectual property, function, operation or divestiture of the Divestiture Assets. Defendants shall use their best efforts to facilitate the assignment to the Acquirer(s) of all of the tangible and intangible assets included in the Divestiture Assets that Defendants presently hold or use pursuant to a license or any other agreement.

G. Defendant Cengage shall have the right to obtain from the Acquirer(s) of the Divestiture Assets:

(1) With respect to each Excluded Customized Publication, a one-year, non-exclusive, royalty-free license to continue to include in that publication Divestiture Asset-related content;

(2) With respect to Category (ii) Ancillary Materials, a one-year, non-exclusive, royalty-free license to continue to sell such materials in association with textbooks that are not described on Exhibit A where, prior to the filing of the Complaint in this matter, such materials were sold in association with those textbooks; and

(3) With respect to copyrighted art, photographs, illustrations, charts, graphs, or other similar content that, at the time of the filing of the Complaint in this matter, were included within both the Divestiture Assets and other textbooks and products (other than content written, developed produced or copyrighted by, or otherwise attributable to, (i) any author identified in Exhibit A with respect to any course associated with that author in Exhibit A, or (ii) the author's co-authors or successor authors), a non-exclusive, royalty-free license to continue to use such content (i) in the other textbooks and products in which it is now included, (ii) in future textbooks and ancillary educational materials other than textbooks and materials offered for use in any course listed in Exhibit A, and (iii) with the permission of the Acquirer(s) of all of the Divested Assets applicable to any course listed in Exhibit A, in future textbooks and ancillary materials for use in that course.

H. Unless the United States otherwise consents in writing, the divestitures pursuant to section IV, or by trustee appointed pursuant to section V, of this Final Judgment, shall include the entire Divestiture Assets, and shall be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Divestiture Assets can and will be used by the Acquirer(s) as part of a viable, ongoing higher education textbook publishing business. Divestiture of the Divestiture Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the Divestiture Assets will remain viable and the divestiture of such assets will remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to section IV or section V of this Final Judgment:

(1) Shall be made to an Acquirer(s) that, in the United States's sole judgment, has the intent and capability (including the necessary managerial, operational, technical and financial capability) of competing effectively in the higher education textbook publishing business; and

(2) Shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer(s) and Defendants give Defendants the ability unreasonably to raise the Acquirer's costs, to lower the Acquirer's efficiency, or otherwise to interfere in the ability of the Acquirer to compete effectively.

V. Appointment of Trustee

A. If Defendants have not divested the Divestiture Assets within the time period specified in section IV.A of this Final Judgment, Defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a trustee selected by the United States and approved by the Court to effect the divestiture of the Divestiture Assets.

B. After the appointment of a trustee becomes effective, only the trustee shall have the right to sell the Divestiture Assets. The trustee shall have the power and authority to accomplish the divestiture to an Acquirer(s) acceptable to the United States at such price and on such terms as are then obtainable upon reasonable effort by the trustee, subject to the provisions of sections IV, V, and VI of this Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to section V.D of this Final Judgment, the trustee may hire at the cost and expense of Defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestitures.

C. Defendants shall not object to a sale by the trustee on any ground other than the trustee's malfeasance. Any such objections by Defendants must be conveyed in writing to the United States and the trustee within ten (10) calendar days after the trustee has provided the notice required under section VI of this Final Judgment.

D. The trustee shall serve at the cost and expense of Defendants, on such terms and conditions as the United States approves, and shall account for all monies derived from the sale of the assets sold by the trustee and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee, all remaining money shall be paid to Defendants and the trust shall then be terminated. The compensation of the trustee and any professionals and agents retained by the trustee shall be reasonable in light of the value of the Divestiture Assets and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount.

E. Defendants shall use their best efforts to assist the trustee in accomplishing the required divestitures. The trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the businesses to be divested, and Defendants shall develop financial and other information relevant to such businesses as the trustee may reasonably request, subject to reasonable protection for trade secrets or other confidential research, development, or commercial information. Defendants shall take no action to interfere with or to impede the trustee's accomplishment of the divestitures.

F. After its appointment, the trustee shall file monthly reports with the United States and the Court setting forth the trustee's efforts to accomplish the divestitures ordered under this Final Judgment. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The trustee shall maintain full records of all efforts made to divest the Divestiture Assets.

G. If the trustee has not accomplished the divestitures ordered under this Final Judgment within six (6) months after its appointment, the trustee shall promptly file with the Court a report setting forth: (1) The trustee's efforts to accomplish the required divestitures, (2) the reasons, in the trustee's judgment, why the required divestitures have not been accomplished, and (3) the trustee's recommendations. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such report to the United States, which shall have the right to make additional

recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the Final Judgment, which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by the United States.

VI. Notice of Proposed Divestitures

A. Within two (2) business days following execution of a definitive divestiture agreement, Defendants or the trustee, whichever is then responsible for effecting the divestitures required herein, shall notify the United States of any proposed divestiture(s) required by section IV or V of this Final Judgment. If the trustee is responsible, it shall similarly notify Defendants. The notice shall set forth the details of the proposed divestiture(s) and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Divestiture Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from Defendants, the proposed Acquirer(s), any other third party, or the trustee, if applicable, additional information concerning the proposed divestiture(s), the proposed Acquirer(s), and any other potential Acquirer. Defendants and the trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from Defendants, the proposed Acquirer(s), any third party, and the trustee, whichever is later, the United States shall provide written notice to Defendants and the trustee, if there is one, stating whether or not it objects to the proposed divestiture(s). If the United States provides written notice that it does not object, the divestiture(s) may be consummated, subject only to Defendants' limited right to object to the sale under section V.C of this Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer or upon objection by the United States, a divestiture proposed under section IV or section V of this Final Judgment shall not be consummated. Upon objection by Defendants under section V.C, a divestiture proposed under section V shall not be consummated unless approved by the Court.

VII. Financing

Defendants shall not finance all or any part of any purchase made pursuant to section IV or section V of this Final Judgment.

VIII. Preservation of Assets

Until the divestitures required by this Final Judgment have been accomplished, Defendants shall take all steps necessary to comply with the Asset Preservation Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestitures ordered by this Court.

IX. Affidavits

A. Within twenty (20) calendar days of the filing of the Complaint in this matter, and every thirty (30) calendar days thereafter until the divestitures have been completed under section IV or section V of this Final Judgment, Defendants shall deliver to the United States an affidavit as to the fact and manner of its compliance with section IV or section V. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) calendar days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts Defendants have taken to solicit buyers for the Divestiture Assets, and to provide required information to prospective Acquirers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by Defendants, including limitations on information, shall be made within fourteen (14) calendar days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, Defendants shall deliver to the United States an affidavit that describes in reasonable detail all actions Defendants have taken and all steps Defendants have implemented on an ongoing basis to comply with section VIII of this Final Judgment. Defendants shall deliver to the United States an affidavit describing any changes to the efforts and actions outlined in Defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestitures have been completed.

X. Compliance Inspection

A. For the purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Defendants, be permitted:

(1) Access during Defendants' regular office hours to inspect and copy, or at the option of the United States, to require Defendants to provide electronic or hard copies of, all books, ledgers, accounts, records, data, and documents in the possession, custody, or control of Defendants, relating to any matters contained in this Final Judgment; and

(2) To interview, either informally or on the record, Defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by Defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, Defendants shall submit written reports or responses to written interrogatories, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by Defendants to the United States, Defendants represent and identify in writing the material in any such information or

documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and Defendants mark each pertinent page of such material, ''Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure,'' then the United States shall give Defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

XI. No Reacquisition

Defendant Cengage may not reacquire any part of the Divestiture Assets during the term of this Final Judgment.

XII. Retention of Jurisdiction

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

XIII. Expiration of Final Judgment

Unless this Court grants an extension, this Final Judgment shall expire ten (10) years from the date of its entry.

XIV. Public Interest Determination

Entry of this Final Judgment is in the public interest. The parties have complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. 16, including making copies available to the public of this Final Judgment, the Competitive Impact Statement, and any comments thereon and the United States's responses to comments. Based upon the record before the Court, which includes the Competitive Impact Statement and any comments and response to comments filed with the Court, entry of this Final Judgment is in the public interest.

Date:

Court approval subject to procedures of Antitrust Procedures and Penalties Act, 15 U.S.C. 16.

United States District Judge.

Exhibit A

Course	Textbooks
Business: Introductory	All textbooks that relate to the study of introduction to business with which Louis Boone has been or will be associated, and all textbooks that relate to the study of introduction to business with which David Kurtz has been or will be associated.
Foreign Languages and Literature: French: Language: Business French.	All textbooks with which Jean-Luc Penfornis has been or will be associated.
Foreign Languages and Literature: French: Language: Intermediate.	All textbooks that relate to the study of French language or literature at the intermediate level with which Michael Oates has been or will be associated, all textbooks with which Jacques Dubois has been or will be associated, all textbooks with which Simone Renaud has been or will be associated, all textbooks with which Dominique Van Hooff has been or will be associated, all textbooks that relate to the study of French language or literature at the intermediate level with which Jean-Paul Valette has been or will be associated, and all textbooks that relate to the study of French language, or literature at the intermediate level with which Rebecca Valette has been or will be associated.
Foreign Languages and Literature: German: Language: Grammar.	All textbooks with which Kimberly Sparks has been or will be associated, and all textbooks with which Van Horn Vail has been or will be associated.
Foreign Languages and Literature: Italian: Language: Elementary.	All textbooks with which Marcel Danesi has been or will be associated, and all textbooks with which Suzanne Branciforte has been or will be associated.
Foreign Languages and Literature: Italian: Language: Intermediate.	All textbooks with which Marcel Danesi has been or will be associated, and all textbooks with which Francesca Italiano has been or will be associated.
History: Western Civilization Survey: 1500 to Present.	All textbooks with which John McKay has been or will be associated.
History: Western Civilization Survey: 1750 to Present.	All textbooks with which John McKay has been or will be associated.
History: Western Civilization Survey: Prehistory to 1715.	All textbooks with which John McKay has been or will be associated.
History: Western Civilization Survey: Prehistory to Present.	All textbooks with which John McKay has been or will be associated.
History: World History Survey: 1400 to 1750	All textbooks with which John McKay has been or will be associated.
History: World History Survey: 1500 to Present	All textbooks with which John McKay has been or will be associated.
History: World History Survey: Prehistory to Present.	All textbooks with which John McKay has been or will be associated.
Interdisciplinary Studies: Orientation to College	All textbooks with which John Gardner has been or will be associated.

The United States District Court for the District of Columbia

United States of America, Plaintiff, v. Cengage Learning Holdings I, L.P., Cengage Learning Holdings II L.P., Cengage Learning, Inc., Apax/Tl Holdings, LLC, Education Media and Publishing Group Limited, and Houghton Mifflin Harcourt Publishing Company, Defendants

Case No.: Judge: Case: 1:08Cv–00899, Assigned To: Bates, John D., Assign. Date: 5/28/2008, Description: Antitrust.

Competitive Impact Statement

Plaintiff United States of America (''United States''), pursuant to section 2(b) of the Antitrust Procedures and Penalties Act (''APPA'' or ''Tunney Act''), 15 U.S.C. 16(b)–(h), files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

I. Nature and Purpose of the Proceeding

The United States filed a civil antitrust Complaint on May 28, 2008, seeking to enjoin the proposed acquisition by Cengage Learning, Inc., and related entities (collectively ''Cengage''), of the assets of the Houghton Mifflin College Division (''HM College'') from Houghton Mifflin Harcourt Publishing Company, and a related entity (collectively ''Houghton Mifflin''). The Complaint alleges that the likely effects of this acquisition would be to substantially lessen competition in the development, publication, and sale of textbooks and ancillary educational materials (collectively ''textbooks and ancillary materials'') used in fourteen higher education courses listed in Appendix A (hereinafter ''the Overlap Courses''), in violation of section 7 of the Clayton Act, 15 U.S.C. 18. The loss of competition caused by the acquisition would likely result in a reduced rate of quality improvements in, and/or increased prices for, the textbooks and ancillary materials used in each of the fourteen courses in the United States.

At the same time the Complaint was filed, the United States also filed an Asset Preservation Stipulation and Order (''APSO'') and a proposed Final Judgment, which are designed to eliminate the anticompetitive effects of the acquisition. Under the proposed Final Judgment, which is explained more fully below, the Defendants are required to divest all tangible and intangible assets used in the development, production, servicing, marketing, distribution and sale of certain textbooks in the Overlap Courses and all associated ancillary educational materials (collectively ''Divestiture Assets''). Until the divestitures required by the Final Judgment have been accomplished, the APSO requires the Defendants to preserve and maintain the value of and goodwill in the Divestiture Assets, and continue to operate the Divestiture Assets as economically viable, competitive, and ongoing business properties.

The United States and Defendants have stipulated that the proposed Final Judgment may be entered after compliance with the APPA. Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment and to punish violations thereof.

II. Description of the Events Giving Rise to the Alleged Violations

A. The Defendants and the Proposed Transaction

Cengage Learning, Inc. is a Delaware corporation with its headquarters in Stamford, Connecticut. Cengage Learning Holdings I, L.P., a limited partnership with its headquarters in Stamford, Connecticut, is the ultimate parent entity of Cengage Learning, Inc. Cengage Learning Holdings II L.P., a limited partnership with its headquarters in Stamford Connecticut, is an intermediate entity between Cengage Learning Holdings I, L.P. and Cengage Learning, Inc. Apax/TL Holdings, LLC, a Delaware limited liability company, is the general partner in Cengage Learning Holdings I, L.P. The above entities (collectively ''Cengage'') develop, publish and sell textbooks and ancillary materials for use in the United States and elsewhere. Cengage is the second largest publisher of textbooks and ancillary materials used in courses taught at higher education institutions in the United States and ranks among the top three sellers of such textbooks and materials for each of the Overlap Courses. Cengage had total revenues of about $1.7 billion in the twelve-month period ending September 30, 2007, including about $1 billion in revenues from the sale of higher education textbooks and ancillary materials.

Houghton Mifflin Harcourt Publishing Company (formerly Houghton Mifflin Company) is a Massachusetts corporation with its headquarters in Boston, Massachusetts. Education Media and Publishing Group Limited, a Cayman Islands corporation with its headquarters in Dublin, Ireland, is the ultimate parent entity of Houghton Mifflin Harcourt Publishing Company. The above entities (collectively ''Houghton Mifflin''), develop, publish and sell textbooks and ancillary materials for use in the United States and elsewhere. Houghton Mifflin's HM College Division is the fifth largest publisher of textbooks and ancillary materials used in courses taught at higher education institutions in the United States and ranks among the top three sellers of such textbooks and materials for each of the Overlap Courses. Houghton Mifflin has total annual revenues of about $2.5 billion, and estimated 2007 revenues of about $230 million from the sale of textbooks and ancillary materials by HM College.

On or about November 30, 2007, Cengage and Houghton Mifflin entered into an agreement for Cengage to acquire the assets of HM College for approximately $750 million.

B. The Competitive Effects of the Transaction

1. Textbooks and Ancillary Materials

Publishers market and sell textbooks and ancillary materials for use in courses taught at higher education institutions. In most cases, instructors select the textbooks and ancillary materials that will be used for their courses, and students buy the selected textbooks and ancillary materials.

Textbooks are often supplemented with ancillary educational materials, such as teacher's editions, audio-visual teaching tools, Internet content, CD–ROMs, workbooks, and study guides. These ancillary materials are often offered by publishers for free or as part of a discounted package to induce instructors to select a particular textbook and to induce students to purchase the publisher's textbooks and ancillary materials. Textbooks and ancillary materials are used as the primary teaching materials in each of the Overlap Courses.

2. Relevant Product Markets

The Complaint alleges that for each Overlap Course, the textbooks and ancillary materials for that course constitute a separate relevant product market and a line of commerce pursuant to section 7 of the Clayton Act.

Textbooks and ancillary materials are used as the primary teaching materials in each of the Overlap courses. Textbooks provide the core written material for the Overlap Courses and serve as the foundation for instructors' overall lesson plans. While instructors could use alternative teaching materials (such as copies of lecture notes and

articles), they generally select textbooks to serve as the primary teaching materials for their courses because accessing and creating alternative teaching materials is often a more time-consuming, costly, and inefficient method of delivering high quality content to their students. Instructors using textbooks and ancillary materials would not turn to any alternative teaching materials in sufficient numbers to defeat a small but significant increase in the price of any textbooks and ancillary materials for the Overlap Courses, or a small but significant decrease in the quality of such textbooks and other materials.

Students taking the Overlap Courses are unlikely to have any significant alternatives to purchasing new textbooks for their Overlap Courses. Although used textbooks, if available, can sometimes serve as alternatives for new textbooks, used textbooks are not uniformly available in large numbers. Moreover, instructors often require students to use the newest textbook editions. Publishers generally revise textbooks every three to four years, and revised textbooks often differ substantially from their prior edition, limiting the extent to which used textbooks may be substituted for new editions of the same textbooks. Students would not turn to purchasing used textbooks in sufficient numbers to defeat a small but significant increase in the price of a new edition of the textbooks.

3. Relevant Geographic Market

The Complaint alleges that Defendants market and sell textbooks and ancillary materials for use in courses taught at higher education institutions throughout the United States. Market participants for each relevant product market alleged in the Complaint are those publishers from which instructors select textbooks and ancillary materials for use as primary teaching materials in their courses. A hypothetical monopolist of the textbooks and ancillary materials sold for use in any Overlap Course in the United States could profitably lower the rate of quality improvements in, or increase the price of, such textbooks and ancillary materials in the United States. Therefore, for each relevant product market alleged in the Complaint, the United States constitutes a relevant geographic market pursuant to section 7 of the Clayton Act.

4. Anticompetitive Effects of the Acquisition

In each relevant product and geographic market alleged in the Complaint, Cengage and HM College offer leading textbooks and ancillary materials that are close substitutes for a significant number of customers in that market. In each such market, Cengage and HM College are among the few firms with a significant presence that compete to provide textbooks and ancillary materials, and together they account for at least 35 percent of all sales. Using a standard concentration measure called the Herfindahl-Hirschman Index (''HHI''), the proposed acquisition would substantially raise market concentration in highly concentrated markets, increasing the HHI by more than 500 and producing a post-merger HHI in excess of 3000 in each relevant market.

Cengage and HM College compete head-to-head to have their textbooks and ancillary materials selected by instructors for each Overlap Course in the United States. This competition has provided significant incentives for each to publish new titles and improve product quality, and it has also disciplined pricing decisions. Although textbooks are purchased by students who do not select the books, the Department's investigation revealed that when institutions and instructors request price concessions at the time they are selecting textbooks, publishers such as Cengage and HM College have competed to provide them. The proposed acquisition would eliminate the competition between Cengage and HM College in each relevant market, increasing the likelihood that Cengage will unilaterally increase prices or reduce its investment or other efforts to develop new or improved textbooks and ancillary materials.

The proposed acquisition therefore is likely to substantially lessen competition in the development, publication, and sale of textbooks and ancillary materials in each of the relevant markets alleged in the Complaint, in violation of section 7 of the Clayton Act.

5. Entry Would Not Likely Constrain the Acquisition's Adverse Effects

The Complaint alleges that, in each of the relevant product and geographic markets, there is unlikely to be timely entry by any firm that would be sufficient to defeat the likely anticompetitive effects of the proposed acquisition. Successful entry into developing, publishing, and selling textbooks and ancillary materials in each of the relevant markets is difficult, time-consuming, and costly.

Successful entry generally can be achieved only over many years and after at least one or more textbook revision cycles. Significant investment and effort are required to assemble authors, editorial staff and reviewing professors, to develop and obtain licenses to copyrighted content and ancillary educational materials, and to train a knowledgeable sales force. The outcome of any such effort would be highly uncertain, because, among other things, the reputation of a successful incumbent textbook is difficult for a publisher of a new textbook to challenge. The leading textbooks in each relevant market have been published for some time and are well-known to instructors. Most instructors switch textbooks infrequently because they develop course syllabi, lesson plans, homework, tests, and other materials that conform to the textbooks they use, and changing textbooks often requires modifications to course syllabi and other materials.

III. Explanation of the Proposed Final Judgment

A. The Required Divestitures

Section IV.A of the proposed Final Judgment requires that the Defendants divest the existing or future textbooks described in Appendix A, which are used in the Overlap Courses, and associated ancillary educational materials used with those textbooks. The Divestiture Assets may be sold to more than one acquirer with approval of the United States. Section II.C specifies that the divested textbooks include all supplements to, derivations of, and customized versions of the textbooks, except the Defendants are not required to divest existing publications that were customized for specific institutions that contain only a small amount of content (less than 25%) written by an author listed on Appendix A. The description of Divestiture Assets in Section II.C will ensure that the acquirer or acquirers shall have access to all ancillary educational materials offered with a divested textbook. The Defendants are required to divest all associated ancillary materials offered specifically or primarily for use with the textbooks. With respect to other ancillary educational materials that are offered primarily for use with Defendants' other textbooks, but are also offered with divested textbooks, the Defendants are required to grant the acquirer(s) a one-year license to use any such materials. To the extent an acquirer desires to continue to provide these other ancillary materials to instructors and students who use a divested textbook, the one-year license is intended to provide the acquirer a sufficient period of time to continue selling the

Defendants' materials while it develops substitute materials.

The Divestiture Assets also include all tangible and intangible assets related to the divested textbooks and any ancillary educational materials associated with those textbooks. For example, section II.C(1)(a) provides that the Divestiture Assets include, among other things, all original artwork, illustrations and other content, and all contracts, author permissioning agreements and other agreements related to the divested textbooks and ancillary materials. In addition, section II.C(1)(b) provides that the Divestiture Assets include, among other things, licenses and sublicenses to intellectual property of any kind that is used in the development, production, servicing, marketing, distribution, and sale of any of the divested textbooks or ancillary materials.

The Divestiture Assets do not include Defendants' company names or trademarks, except that the Divestiture Assets include nonexclusive licenses to use the corporate trademarks or trade names of Cengage or Houghton Mifflin sufficient to allow the acquirer(s) to sell finished inventory or other materials that have already been marked with such trademarks or trade names. This provision will ensure that the acquirer(s) will not infringe the Defendants' intellectual property rights in the course of distributing the finished inventory.

Sale of the Divestiture Assets according to the terms of the proposed Final Judgment will preserve competition between the textbooks and ancillary materials to be divested and the textbooks and ancillary materials that Cengage will retain and will thus eliminate the anticompetitive effects of the proposed acquisition in each relevant market alleged in the Complaint. In each of the Overlap Courses, the textbooks to be divested, alone or in combination with each other, are among the leading textbooks sold by Defendants. For several of the Overlap Courses, the Final Judgment requires the divestiture of all of the significant textbooks Cengage or HM College offers for sale. For others, the textbooks to be divested are the publications by one Defendant that are close substitutes with textbooks offered by the other Defendant, and thus as to which there is meaningful competition between Cengage and HM College that would have been eliminated by the proposed acquisition.

B. Selected Provisions of the Proposed Final Judgment

In antitrust cases involving acquisitions in which the United States seeks a divestiture remedy, the United States seeks to require completion of the divestiture(s) within the shortest period of time reasonable under the circumstances. A quick divestiture has the benefits of restoring competition lost in the acquisition and reducing the possibility that the value of the assets will be diminished. Section IV.A of the proposed Final Judgment requires the Defendants to divest the Divestiture Assets within forty-five (45) calendar days after the filing of the Complaint in this matter, or five (5) calendar days after notice of the entry of this Final Judgment by the Court, whichever is later.[*1] Section IV.H requires that the Divestiture Assets be divested in such a way as to satisfy the United States in its sole discretion that the Divestiture Assets will remain viable and can and will be operated by the acquirer(s) as part of a viable, competitively-effective, ongoing higher education textbook publishing business and that the divestiture of such assets will remedy the competitive harm alleged in the Complaint.

Sections IV.B, IV.C, IV.D, and IV.E include specific obligations and prohibitions that require the Defendants to cooperate with prospective acquirer(s) and facilitate the divestitures. Similarly, section IV.F requires the Defendants to use their best efforts to facilitate the assignment to the acquirer(s) of all assets included in the Divestiture Assets that Defendants hold or use pursuant to a license or any other agreement.

Section V.G creates a limited exception to the Defendants' obligation to divest the Divestiture Assets in their entirety by allowing Cengage to retain a nonexclusive license to certain intellectual property that is used jointly in divested textbooks and textbooks that are not being divested. Cengage has the right to obtain a one-year license to continue to include content written by an author on Appendix A in certain customized publications that are not required to be divested and to continue to sell for use with textbooks that will not be divested ancillary educational materials that are primarily, but not exclusively, used with the divested textbooks. This license is intended to allow Cengage a sufficient period of time to continue its limited use of the divested content while it develops substitute content. Cengage also has the right to a license to continue using any copyrighted art, charts or similar content that has been included in both divested textbooks and textbooks that will not be divested, other than content attributable to the authors of the divested textbooks. Cengage may continue to use this content in all existing and future textbooks and ancillary materials, except that Cengage must obtain the consent of the acquirer(s) to use the content in future textbooks or ancillary materials that will compete with the divested textbooks and ancillary materials.

Section V.A of the proposed Final Judgment provides that in the event the Defendants do not accomplish the divestitures within the periods prescribed in section IV.A of the proposed Final Judgment, the Court will appoint a trustee selected by the United States to effect the divestitures. Section IV.H requires that any sale of the Divestiture Assets by a trustee be acceptable to the United States, in its sole discretion, and specifies that any divestiture by a trustee must satisfy the same criteria that a divestiture by Defendants must satisfy. Section V.B provides that, after a trustee is appointed, only the trustee will have the right to sell the Divestiture Assets, and section V.C precludes Defendants from objecting to a sale by the trustee on any ground other than the trustee's malfeasance. Section V.E requires Defendants to use their best efforts to assist the trustee in accomplishing the divestitures.

If a trustee is appointed, section V.D provides that Defendants will pay all costs and expenses of the trustee. The trustee's commission will be structured so as to provide an incentive for the trustee based on the price obtained and the speed with which the divestitures are accomplished. After his or her appointment, section V.F requires the trustee to file monthly reports with the Court and the United States setting forth his or her efforts to accomplish the required divestitures. Section V.G requires that, if the required divestitures have not been accomplished within six (6) months after a trustee's appointment, the trustee and the United States will both make recommendations to the Court, which shall enter such orders as appropriate to carry out the purpose of the Final Judgment, which may include extending the trust or the term of the trustee's appointment.

C. The Asset Preservation Stipulation and Order

To ensure that the Divestiture Assets will be preserved, maintained, marketed, and further developed, and continue to be operated as economically viable and ongoing business properties,

[*1] The proposed Final Judgment also provides that this time period may be extended by the United States in its sole discretion for a period not to exceed thirty (30) calendar days, and that the Court will receive notice of any such extension.

until the divestitures required by the proposed Final Judgement have been accomplished, the United States and Defendants have agreed that the Court may enter the APSO that was filed simultaneously with the proposed Final Judgment.

Sections V.A and V.B of the APSO provide that Defendants are required to preserve and maintain the value and goodwill of the Divestiture Assets. Prior to the completion of the divestitures, Defendants must maintain and increase the sales and revenues of the Divestiture Asset-related products and services, and maintain all operational, promotional, developmental, advertising, sales, technical, customer-service and marketing funding and other support for the Divestiture Assets. Defendants must also ensure that the Divestiture Assets arc fully maintained in operable and saleable condition and continue to be developed and updated, and maintain and adhere to normal sales, development, updating, and support schedules for the Divestiture Assets. Section V.C requires the Defendants to provide sufficient capital to maintain the Divestiture Assets and to maintain the Divestiture Assets as economically viable, competitive, and ongoing business properties. Section V.D prevents the Defendants from transferring or otherwise disposing of the Divestiture Assets.

These asset preservation obligations should suffice to preserve competition during the brief 45-day period between consummation of the acquisition and completion of the required divestitures. Defendants will be required to continue their ongoing efforts—which have in part been stimulated by competition between them—to make improvements to the textbooks to be divested, and to maintain or increase the sales of those books. Moreover, the period between consummation and divestiture is likely to occur during the summer months when instructors do not typically select textbooks for their courses, and thus when competitive sales efforts are less meaningful.

Section VI of the APSO requires the Defendants to appoint a person or persons to oversee the implementation of Defendants' obligations under the proposed Final Judgment and the APSO. The appointed person(s) will be responsible for ensuring Defendants' compliance with the asset preservation requirements specified in section V of the APSO, will have complete managerial responsibility for the Divestiture Assets, and will have authority to direct and implement all steps necessary to ensure Defendants' full compliance with section V. Any person(s) appointed to oversee the Divestiture Assets must receive a compensation package that provides a significant incentive to increase sales of the Divestiture Assets.

IV. Remedies Available to Potential Private Litigants

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment has no *prima facie* effect in any subsequent private lawsuit that may be brought against Defendants.

V. Procedures Available for Modification of the Proposed Final Judgment

The United States and Defendants have stipulated that the proposed Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least sixty (60) days preceding the effective date of the proposed Final Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register**, or the last date of publication in a newspaper of a summary of this Competitive Impact Statement, whichever is later. All comments received during this period will be considered by the United States Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to the Court's entry of judgment. The comments and the response of the United States will be filed with the Court and published in the **Federal Register**.

Written comments should be submitted to: James J. Tierney, Chief, Networks & Technology Enforcement Section, Antitrust Division, United States Department of Justice, 600 E Street, NW., Suite 9500, Washington, DC 20530.

The proposed Final Judgment provides that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Final Judgment.

VI. Alternatives to the Proposed Final Judgment

The United States considered, as an alternative to the proposed Final Judgment, a full trial on the merits against Defendants. The United States could have continued the litigation and sought preliminary and permanent injunctions against the proposed acquisition. The United States is satisfied, however, that the divestiture of assets described in the proposed Final Judgment will preserve competition in the development, publication and sale of textbooks and ancillary materials in the relevant markets alleged in the Complaint. Thus, the proposed Final Judgment would achieve all or substantially all of the relief the United States would have obtained through litigation, but avoids the time, expense, and uncertainty of a full trial on the merits of the Complaint.

VII. Standard of Review Under the APPA for the Proposed Final Judgment

The Clayton Act, as amended by the APPA, requires that proposed consent judgments in antitrust cases brought by the United States be subject to a sixty-day comment period, after which the Court shall determine whether entry of the proposed Final Judgment ''is in the public interest.'' 15 U.S.C. 16(e)(1). In making that determination, the court, in accordance with the statute as amended in 2004, is required to consider:

(A) The competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies actually considered, whether its terms are ambiguous, and any other competitive considerations bearing upon the adequacy of such judgment that the court deems necessary to a determination of whether the consent judgment is in the public interest; and

(B) The impact of entry of such judgment upon competition in the relevant market or markets, upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. 16(e)(1)(A) &; (B). In considering these statutory factors, the

court's inquiry is necessarily a limited one as the government is entitled to ''broad discretion to settle with the defendant within the reaches of the public interest.'' *United States* v. *Microsoft Corp.,* 56 F.3d 1448, 1461 (D.C. Cir. 1995); see generally *United States* v. *SBC Commc'ns,* Inc., 489 F. Supp. 2d 1 (D.D.C. 2007) (assessing public interest standard under the Tunney Act).[2]

As the United States Court of Appeals for the District of Columbia Circuit has held, under the APPA, a court considers, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's complaint, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. See Microsoft, 56 F.3d at 1458–62. With respect to the adequacy of the relief secured by the decree, a court may not ''engage in an unrestricted evaluation of what relief would best serve the public.'' *United States* v. *BNS, Inc.,* 858 F.2d 456, 462 (9th Cir. 1988) (citing *United States* v. *Bechtel Corp.,* 648 F.2d 660, 666 (9th Cir. 1981)); see also Microsoft, 56 F.3d at 1460–62; *United States* v. *Alcoa, Inc.,* 152 F.Supp. 2d 37, 40 (D.D.C. 2001). Courts have held that:

> [t]he balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is ''within the reaches of the public interest.'' More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.

Bechtel, 648 F.2d at 666 (emphasis added) (citations omitted).[3] In determining whether a proposed settlement is in the public interest, a district court ''must accord deference to the government's predictions about the efficacy of its remedies, and may not require that the remedies perfectly match the alleged violations.'' SBC Commc'ns, 489 F.Supp. 2d at 17; see also Microsoft, 56 F.3d at 1461 (noting the need for courts to be ''deferential to the government's predictions as to the effect of the proposed remedies''); *United States* v. *Archer-Daniels-Midland Co.,* 272 F.Supp. 2d 1, 6 (D.D.C. 2003) (noting that the court should grant due respect to the United States' prediction as to the effect of proposed remedies, its perception of the market structure, and its views of the nature of the case).

Courts have greater flexibility in approving proposed consent decrees than in crafting their own decrees following a finding of liability in a litigated matter. ''[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.' '' *United States* v. *Am. Tel. &; Tel. Co.,* 552 F.Supp. 131, 151 (D.D.C. 1982) (citations omitted) (quoting *United States* v. *Gillette Co.,* 406 F.Supp. 713, 716 (D. Mass. 1975)), aff'd sub nom. *Maryland* v. *United States,* 460 U.S. 1001 (1983); see also *United States* v. *Alcan Aluminum Ltd.,* 605 F.Supp. 619, 622 (W.D. Ky. 1985) (approving the consent decree even though the court would have imposed a greater remedy). To meet this standard, the United States ''need only provide a factual basis for concluding that the settlements are reasonably adequate remedies for the alleged harms.'' SBC Commc'ns, 489 F. Supp. 2d at 17.

Moreover, the court's role under the APPA is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint, and does not authorize the court to ''construct [its] own hypothetical case and then evaluate the decree against that case.'' Microsoft, 56 F.3d at 1459. Because the ''court's authority to review the decree depends entirely on the government's exercising its prosecutorial discretion by bringing a case in the first place,'' it follows that ''the court is only authorized to review the decree itself,'' and not to ''effectively redraft the complaint'' to inquire into other matters that the United States did not pursue. Id. at 1459–60. As this Court recently confirmed in SBC Communications, courts ''cannot look beyond the complaint in making the public interest determination unless the complaint is drafted so narrowly as to make a mockery of judicial power.'' SBC Commc'ns, 489 F.Supp. 2d at 15.

In its 2004 amendments, Congress made clear its intent to preserve the practical benefits of utilizing consent decrees in antitrust enforcement, adding the unambiguous instruction that ''[n]othing in this section shall be construed to require the court to conduct an evidentiary hearing or to require the court to permit anyone to intervene.'' 15 U.S.C. 16(e)(2). The language wrote into the statute what Congress intended when it enacted the Tunney Act in 1974, as Senator Tunney explained: ''[t]he court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process.'' 119 Cong. Rec. 24,598 (1973) (statement of Senator Tunney). Rather, the procedure for the public interest determination is left to the discretion of the court, with the recognition that the court's ''scope of review remains sharply proscribed by precedent and the nature of Tunney Act proceedings.'' SBC Commc'ns, 489 F.Supp. 2d at 11.[4]

VIII. Determinative Documents

There are no determinative materials or documents within the meaning of the APPA that were considered by the United States in formulating the proposed Final Judgment.

Dated: May 28, 2008.

Respectfully submitted,

Jane J. Brody, Justine K. Donahue (DC Bar #476255), Aaron Comenetz (DC Bar #479572), John C. Filippini (DC Bar #165159), Kent Brown, Aaron Brodsky.

Attorneys, Networks &; Technology Enforcement Section, Antitrust Division, United States Department of

[2] The 2004 amendments substituted ''shall'' for ''may'' in directing relevant factors for a court to consider and amended the list of factors to focus on competitive considerations and to address potentially ambiguous judgment terms. Compare 15 U.S.C. 16(e) (2004), with 15 U.S.C. 16(e)(1) (2006); see also SBC Commc'ns, 489 F.Supp. 2d at 11 (concluding that the 2004 amendments ''effected minimal changes'' to Tunney Act review).

[3] Cf. BNS, 858 F.2d at 464 (holding that the court's ''ultimate authority under the [APPA] is limited to approving or disapproving the consent decree''); *United States* v. *Gillette Co.,* 406 F.Supp. 713, 716 (D. Mass. 1975) (noting that, in this way, the court is constrained to ''look at the overall picture not hypercritically, nor with a microscope, but with an artist's reducing glass''). See generally Microsoft, 56 F.3d at 1461 (discussing whether ''the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest'''').

[4] See *United States* v. *Enova Corp.,* 107 F.Supp. 2d 10, 17 (D.D.C. 2000) (noting that the ''Tunney Act expressly allows the court to make its public interest determination on the basis of the competitive impact statement and response to comments alone''); *United States* v. *Mid-Am. Dairymen, Inc.,* 1977–1 Trade Cas. (CCH) ¶ 61,508, at 71,980 (W.D. Mo. 1977) (''Absent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should * * * carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.''); S. Rep. No. 93–298, 93d Cong., 1st Sess., at 6 (1973) (''Where the public interest can be meaningfully evaluated simply on the basis of briefs and oral arguments, that is the approach that should be utilized.'').

Justice, 600 E Street, NW., Suite 9500, Washington, DC 20530, (202) 307–6200.

Appendix A

Course	Textbooks
Business: Introductory	All textbooks that relate to the study of introduction to business with which Louis Boone has been or will be associated, and all textbooks that relate to the study of introduction to business with which David Kurtz has been or will be associated.
Foreign Languages and Literature: French: Language: Business French	All textbooks with which Jean-Luc Penfornis has been or will be associated.
Foreign Languages and Literature: French: Language: Intermediate	All textbooks that relate to the study of French language or literature at the intermediate level with which Michael Oates has been or will be associated, all textbooks with which Jacques Dubois has been or will be associated, all textbooks with which Simone Renaud has been or will be associated, all textbooks with which Dominique Van Hooff has been or will be associated, all textbooks that relate to the study of French language or literature at the intermediate level with which Jean-Paul Valette has been or will be associated, and all textbooks that relate to the study of French language or literature at the intermediate level with which Rebecca Valette has been or will be associated.
Foreign Languages and Literature: German: Language: Grammar	All textbooks with which Kimberly Sparks has been or will be associated, and all textbooks with which Van Horn Vail has been or will be associated.
Foreign Languages and Literature: Italian: Language: Elementary	All textbooks with which Marcel Danesi has been or will be associated, and all textbooks with which Suzanne Branciforte has been or will be associated.
Foreign Languages and Literature: Italian: Language: Intermediate	All textbooks with which Marcel Danesi has been or will be associated, and all textbooks with which Francesca Italiano has been or will be associated.
History: Western Civilization Survey: 1500 to Present	All textbooks with which John McKay has been or will be associated.
History: Western Civilization Survey: 1750 to Present	All textbooks with which John McKay has been or will be associated.
History: Western Civilization Survey: Prehistory to 1715	All textbooks with which John McKay has been or will be associated.
History: Western Civilization Survey: Prehistory to Present	All textbooks with which John McKay has been or will be associated.
History: World History Survey: 1400 to 1750	All textbooks with which John McKay has been or will be associated.
History: World History Survey: 1500 to Present	All textbooks with which John McKay has been or will be associated.
History: World History Survey: Prehistory to Present	All textbooks with which John McKay has been or will be associated.
Interdisciplinary Studies: Orientation to College	All textbooks with which John Gardner has been or will be associated.

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DEPARTMENT OF LABOR

Office of the Secretary

Submission for OMB Review: Comment Request

June 13, 2008.

The Department of Labor (DOL) hereby announces the submission of the following public information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104–13, 44 U.S.C. chapter 35). A copy of this ICR, with applicable supporting documentation, including among other things a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained from the *RegInfo.gov* Web site at *http://www.reginfo.gov/public/do/PRAMain* or by contacting Darrin King on 202–693–4129 (this is not a toll-free number)/*e-mail: king.darrin@dol.gov.*

Interested parties are encouraged to send comments to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for the Bureau of Labor Statistics (BLS), Office of Management and Budget, 725 17th Street, NW., Room 10235, Washington, DC 20503, Telephone: 202–395–7316/Fax: 202–395–6974 (these are not toll-free numbers), E-mail: *OIRA_submission@omb.eop.gov* within 30 days from the date of this publication in the **Federal Register**. In order to ensure the appropriate consideration, comments should reference the OMB Control Number (see below).

The OMB is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

Agency: Bureau of Labor Statistics.

Type of Review: Revision of a currently approved collection.

Title: National Longitudinal Survey of Youth 1997.

OMB Control Number: 1220–0157.

Affected Public: Individuals or households.

Estimated Number of Respondents: 7,350.

Total Estimated Annual Burden Hours: 7,360.

Total Estimated Annual Costs Burden: $0.