Mandan, ND—Mandan Muni, RADAR-1, Amdt. 2
Danville, VA—Danville Muni, LOC RWY 2, Amdt. 1
Danville, VA—Danville Muni, ILS RWY 2, Orig.
Richmond, VA—Richard Evelyn Byrd Intl, ILS RWY 7, Amdt. 24

. . . *Effective March 28, 1989*

Keystone Heights, FL—Keystone Airpark, VOR/DME RWY 4, Amdt. 1

. . . *Effective March 21, 1989*

Wilkes-Barre/Scranton, PA—Wilkes-Barre/Scranton Intl, ILS RWY 4, Amdt. 34

[FR Doc. 89-8281 Filed 4-6-89; 8:45 am]
BILLING CODE 4910-13-M

FEDERAL TRADE COMMISSION

16 CFR Part 1

Advisory Opinions Regarding Proposed Corporate Mergers and Acquisitions

AGENCY: Federal Trade Commission.

ACTION: Final rule.

SUMMARY: The Commission is amending its rule governing advisory opinions on proposed corporate mergers and acquisitions. The Commission's rules of practice provides that the Commission will consider requests for advisory opinions if the subject matter involves a proposed corporate merger or acquisition. In practice, the Commission does not ordinarily provide formal advisory opinions on proposed mergers or acquisitions. Thus, the Commission is revising the rule.

Although this rule amendment is effective upon publication, the Commission invites public comment. The Commission will review all comments received, and take whatever action, if any, it deems appropriate.

DATES: This rule is effective April 7, 1989. Comments will be received until May 8, 1989.

ADDRESSES: Comments should be addressed to the Secretary, Federal Trade Commission, 6th Street & Pennsylvania Avenue NW., Washington, DC 20580.

Comments will be entered on the public record of the Commission and will be available for public inspection in Room 130 at the above address during the hours of 9:00 a.m. until 5:00 p.m.

FOR FURTHER INFORMATION CONTACT: Phillip S. Priesman, Attorney, Office of the General Counsel, Federal Trade Commission, 6th Street & Pennsylvania Avenue NW., Washington, DC 20580 (202) 326-2484.

SUPPLEMENTARY INFORMATION: Under current Rule 1.1(a) of the Commission's Rules of Practice, 16 CFR 1.1(a), the Commission will consider a request for an advisory opinion if the subject matter of the request involves: (1) A substantial or novel question of fact or law; (2) a proposed corporate merger or acquisition; or (3) an issue of significant public interest. The language of Rule 1.1(a)(2) suggests that the Commission may issue advisory opinions on both substantive and procedural aspects of a proposed merger. For example, the rule appears to contemplate Commission advisory opinions on the competitive implications of proposed mergers, as well as on issues concerning compliance with the premerger reporting requirements of the Hart-Scott-Rodino ("HSR") amendments to the Clayton Act, 15 U.S.C. 18a. In fact, the Commission does not ordinarily issue advisory opinions on either the substantive or procedural aspects of proposed mergers and acquisitions.

To issue an advisory opinion on the antitrust merits of a proposed merger or acquisition, the Commission would need to undertake an extensive study of the affected markets, in effect, conducting a full investigation not unlike that entailed under the HSR program. In practice, the Commission has refrained from issuing advisory opinions insofar as they would require such extensive information-gathering or investigation. In many cases, and advisory opinion procedure is rendered superfluous by the HSR premerger reporting program. Under the HSR procedure, the Commission is required to review all transactions that meet or exceed certain threshold size requirements set forth in the statute to ascertain whether they might substantially lessen competition or tend to create a monopoly.

Furthermore, individuals need not request a formal advisory opinion to determine whether they must file a premerger notification report because the Commission routinely provides oral advice on compliance with HSR procedural requirements. In addition, the Commission has issued enforcement guidelines on HSR compliance matters in the form of policy statements. *See, e.g.*, 50 FR 21507 (May 24, 1985). Finally, although Rule 1.1(a) as amended would no longer expressly permit requests for advisory opinions involving mergers and acquisitions, the Commission remains free, at its discretion and consistent with the Rule, to provide such advice if it determines that the matter involves questions that are "novel" or "substantial" or if doing so would be in the public interest.

List of Subjects in 16 CFR Part 1

Administrative practice and procedure, Trade practices.

In view of the foregoing considerations, the Commission amends Title 16, Chapter I, of the Code of Federal Regulations, as follows:

PART 1—GENERAL PROCEDURES

1. The authority for Part 1 continues to read as follows:

Authority: Sec. 6, 38 Stat. 721 (15 U.S.C. 46), unless otherwise noted.

2. Section 1.1 is amended by revising paragraph (a) to read as follows:

§ 1.1 Policy.

(a) Any person, partnership, or corporation may request advice from the Commission with respect to a course of action which the requesting party proposes to pursue. The Commission will consider such requests for advice and inform the requesting party of the Commission's views, where practicable, under the following circumstances.

(1) The matter involves a substantial or novel question of fact or law and there is no clear Commission or court precedent; or

(2) The subject matter of the request and consequent publication of Commission advice is of significant public interest.

* * * * *

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 89-8260 Filed 4-6-89; 8:45 am]
BILLING CODE 6750-01-M

16 CFR Part 306

Octane Posting and Certification

AGENCY: Federal Trade Commission.

ACTION: Grant of partial exemption from the Commission's octane rule.

SUMMARY: The Commission received a petition from Gilbarco, Inc. on behalf of the Exxon Corporation (Exxon), requesting permission to post octane ratings by use of an octane label that differs from certain of the specifications contained in the Commission's Octane Posting and Certification Rule. After analyzing the request, the Commission has granted the partial exemption in connection with Exxon's use of gasoline dispensers that have been purchased from Gilbarco, Inc. Pursuant to Rule 1.26 of the Commission's Rules of Practice, the Commission grants, for good cause, the requested relief without a notice and

comment period because the Commission finds that such a procedure is unnecessary to protect the public interest in this case.

EFFECTIVE DATE: April 7, 1989.

FOR FURTHER INFORMATION CONTACT: Neil J. Blickman, Attorney, Division of Enforcement, Federal Trade Commission, Washington, DC 20580, (202) 326–3038.

SUPPLEMENTARY INFORMATION: On March 30, 1979, the Commission published the Octane Posting and Certification Rule in the **Federal Register** (44 FR 19160). The rule established procedures for determining, certifying and posting, by means of a label on the fuel dispenser, the octane rating of automotive gasoline intended for sale to consumers.

Section 306.9 of the rule provides that retailers must post at least one octane rating label on each face of each gasoline dispenser. Retailers who sell two or more kinds of gasoline with different octane ratings from a single dispenser must post seprate octane rating labels for each kind of gasoline on each face of the dispenser. Labels must be placed conspicuously on the dispenser so as to be in full view of consumers and as near as reasonably practical to the price per gallon of the gasoline.

Section 306.11 of the rule details specifications for the labels. Labels must be 3 inches wide by 2.5 inches long, and Helvetica type must be used for all text except the octane rating number, which must be in Franklin Gothic type. Type size for the text and numbers is specified, and the type and border must be process black on a process yellow background. The line "MINIMUM OCTANE RATING" must be in 12 point Helvetica bold, all capitals, with letter space set at 12½ points. The line "(R+M)/2 METHOD" must be in 10 point Helvetica bold, all capitals, with letter space set at 10½ points. The octane number must be in 96 point Franklin Gothic Condensed, with ⅛ inch spacing between the numbers.

By letter dated October 25, 1988, and supplemented by letter dated November 14, 1988, Gilbarco, Inc., a major manufacturer and marketer of gasoline pumps and dispensers, requested permission on behalf of the Exxon Corporation to post octane ratings by use of an octane label that differs from the label specifications contained in § 306.11 of the Commission's Octane Posting and Certification Rule.

Exxon proposed the following labeling scheme for use with the gasoline dispensers it purchases from Gilbarco, Inc.:

In order to conform with the dimensions of Gilbarco's gasoline dispenser "scuff guard," Exxon proposes to use an octane label that is 2.75 inches wide by 2.5 inches long instead of a label that is 3 inches wide by 2.5 inches long (as specified in the Octane Rule) on the gasoline dispensers it purchases from Gilbarco, Inc.

The Commission has decided that the above-described labeling scheme is adequate to meet the Octane Rule's posting objective as it provides clear disclosure of all rule-required information. In addition, by permitting the variance, Exxon can adapt its octane label to an existing, interchangeable industry part without adversely affecting the public interest and without necessitating a substantial capital expenditure by the industry (that would ultimately be passed on to retail gasoline purchasers) to manufacture a new part. Therefore, the Commission has decided to grant Exxon permission to use its proposed labeling system, in connection with the company's use of Gilbarco gasoline dispensers, provided that Exxon will also comply with the Rule's octane label specifications in all other respects.

List of Subjects in 16 CFR Part 306

Energy conservation, Gasoline, Labeling.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 89–8261 Filed 4–6–89; 8:45 am]

BILLING CODE 6750–01–M

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 211

[Release No. SAB–81]

Staff Accounting Bulletin No. 81

AGENCY: Securities and Exchange Commission.

ACTION: Publication of staff accounting bulletin.

SUMMARY: This staff accounting bulletin expresses the staff's views regarding the appropriateness of gain recognition on the sale of a business or operating assets to a highly leveraged entity.

FOR FURTHER INFORMATION CONTACT: Jack C. Parsons or John M. Riley, Office of the Chief Accountant (202–272–2130), or Howard P. Hodges, Jr., Division of Corporation Finance (202–272–2553), Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549.

SUPPLEMENTARY INFORMATION: The statements in staff accounting bulletins are not rules or interpretations of the Commission nor are they published as bearing the Commission's official approval. They represent interpretations and practices followed by the Division of Corporation Finance and the Office of the Chief Accountant in administering the disclosure requirements of the Federal securities laws.

Jonathan G. Katz,

Secretary.

April 4, 1989.

Staff Accounting Bulletin No. 81

The staff herein adds Section U to Topic 5 of the Staff Accounting Bulletin Series. Topic 5–U discusses the staff's position on the appropriateness of gain recognition on the sale of a business or operating assets to a highly leveraged entity.

Topic 5: Miscellaneous Accounting

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U. *Gain Recognition on the Sale of a Business or Operating Assets to a Highly Leveraged Entity*

Facts: A registrant has sold a subsidiary, division or operating assets to a newly formed, thinly capitalized, highly leveraged entity (NEWCO) for cash or a combination of cash and securities, which may include subordinated debt, preferred stock, warrants, options or other instruments issued by NEWCO. In some of these transactions, registrants may guarantee debt or enter into other agreements (sometimes referred to as make-well agreements) that may require the registrant to infuse cash into NEWCO under certain circumstances. Securities received in the transaction are not actively traded and are subordinate to substantially all of NEWCO's other debt. The value of the consideration received appears to exceed the cost basis of the net assets sold.

Question 1: Assuming the transaction may be properly accounted for as a divestiture,[1] does the staff believe it is

[1] Transactions such as these require careful evaluation to determine whether, in substance, a divestiture has occurred. Staff Accounting Bulletin Topic No. 5–E provides the staff's views on circumstances that may exist that would lead the staff to conclude that the risks of the business have not been transferred to the new owners and that a divestiture has not occurred. Topic 5–E indicates that factors to consider in determining whether a transaction should be accounted for as a divestiture include:

• Continuing involvement by the seller in the business;

Continued