

that date if no additional claimants come forward.

Dated: March 18, 1999.

Veletta Canouts,

Acting Departmental Consulting Archeologist,

Deputy Manager, Archeology and Ethnography Program.

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DEPARTMENT OF JUSTICE

Antitrust Division

Proposed Final Judgment and Competitive Impact Statement; United States v. Signature Flight Support Corp. et al.

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)-(h), that a proposed Final Judgment, Hold Separate Stipulation and Order, 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. Signature Flight Support Corporation, et al.*, Civil Action No. 99-0537. On March 1, 1999, the United States filed a Complaint alleging that the proposed acquisition by Signature Flight Support Corporation ("Signature") of AMR Combs, Inc. ("Combs") would violate section 7 of the Clayton Act, 15 U.S.C. 18. Signature and Combs own and operate competing fixed base operators ("FBOs") that provide flight support services at various airports in the United States. The proposal Final Judgment orders Signature to sell actual or planned FBO businesses at Palm Springs Regional Airport, Bradley International Airport, and Denver Centennial Airport, along with certain tangible and intangible assets. Copies of the Complaint, Hold Separate Stipulation and Order, Stipulation and Order, proposed Final Judgment, and Competitive Impact Statement are available for inspection in Room 215 of the U.S. Department of Justice, Antitrust Division, 325 Seventh Street, NW., Washington, DC 20530 and at the office of the Clerk of the United States District Court for the District of Columbia, 333 Constitution Avenue, NW., Washington, DC 20001. Copies of any of these materials may be obtained upon request and payment of a copying fee.

Public comment is invited within 60-days of this notice. Such comments, and responses thereto, will be published in the **Federal Register** and filed with the Court. Written comments should be directed to Roger W. Fones, Chief,

Transportation, Energy, and Agriculture Section, Antitrust Division, 325 Seventh Street, NW., Suite 500, Washington, DC 20530 (telephone: (202) 307-6351).

Constance K. Robinson,

Director of Operations, Antitrust Division.

Hold Separate Stipulation and Order

It is hereby STIPULATED by and between the undersigned parties, subject to approval and entry by the Court, That:

I. Definitions

As used in this Hold Separate Stipulation and Order:

A. "Signature" means Signature Flight Support Corporation, a Delaware corporation with a principal place of business in Orlando, Florida, and its successors and assigns, its parents, subsidiaries, affiliates, and directors, officers, managers, agents, and employees acting for or on behalf of any of them.

B. "Combs" means AMR Combs, Inc., a Delaware corporation headquartered in Dallas, Texas, its successors, and assigns, subsidiaries, affiliates, and directors, officers, managers, agents, and employees acting for or on behalf of any of them. Combs is a wholly owned subsidiary of AMR Corporation, A Delaware corporation that has its principal place of business in Fort Worth, Texas, and is a party to the agreement to sell Combs to Signature.

C. The "Assets to be Divested" means all rights, titles and interests, including all fee, leasehold and real property rights, in the PSP Assets, the BDI, Assets and the APA Assets;

1. The "PSP Assets" means all tangible and intangible assets controlled by the existing Signature FBO at Palm Springs Regional Airport, as described in Appendix A to the Final Judgment.

2. The "BDL Assets" means all tangible and intangible assets controlled by the existing Combs FBO at Bradley International Airport, as described in Appendix B to the Final Judgment, but does not include the assets related to Combs' commercial jet fueling business, such as the bulk storage facility and fuel farm.

3. The "APA Assets" means all tangible and intangible assets controlled by the existing Combs FBO at Centennial Airport, as described in Appendix C to the Final Judgment.

D. "APA Airport" means Centennial Airport, located near Denver, Colorado.

E. "BDL Airport" means Bradley International Airport, located near Hartford, Connecticut.

F. "PSP Airport" means Palm Springs Regional Airport, located two miles east of Palm Springs, California.

G. "FBO" means any or all services related to providing fixed based operator services to general aviation customers, including, but not limited to, selling fuel, leasing hangar, ramp, and office space, providing flight support services, performing maintenance, providing access to terminal facilities, or arranging for ancillary services such as rental cars or hotels.

H. "FBO Facility" means any and all tangible and intangible assets required to provide FBO services, including but not limited to office terminal space, hangars, ramps, a general aviation fuel farm for Jet A Fuel and aviation gas, and related fueling and maintenance equipment.

I. "SunBorne" means SunBorne Development Corporation, a real estate development company that conducts business in the Denver, Colorado area.

J. "SunBorne FBO Facility" means the FBO facility that is to be constructed at APA Airport by SunBorne Development Corporation. The SunBorne FBO facility is to consist of (1) an office/terminal facility to occupy the first floor (approximately 15,000 square feet) of a three-story building to be constructed by SunBorne; (2) one 25,000 square foot hanger to be constructed by SunBorne; (3) a general aviation fuel farm with storage for 40,000 gallons of Jet A fuel and 20,000 gallons of aviation gas to be constructed by Signature; and (4) a 10.8 acre ramp.

K. "SunBorne operator for the SunBorne FBO Facility" means a person who, with the approval of SunBorne and of the Arapahoe County Public Airport Authority, will operate the SunBorne FBO Facility in Signature's stead.

II. Objectives

The Final Judgment filed in this case is meant to ensure Signature's prompt divestiture and sale of the BDL Assets, the PSP Assets, and if necessary, the APA Assets, for the purpose of maintaining viable competitors in the provision of FBO services at BDL Airport, PSP Airport, and APA Airport. These actions will remedy the effects that the United States alleges would otherwise result from Signature's proposed acquisition of Combs.

This Hold Separate Stipulation and Order has two primary objectives. With respect to the BDL Assets and the PSP Assets, it ensures that, prior to such divestitures, each of the assets being divested be maintained as independent economically viable, ongoing business concerns, and that competition among FBO facilities at BDL Airport and at PSP Airport is maintained during the pendency of the divestitures. With

respect to the APA Assets, this Order permits Signature to conduct business at APA Airport using the APA Assets, pending competition of a new FBO facility at APA Airport (the SunBorne FBO Facility) that will either be operated by Signature or by a substitute operator. If Signature does not produce a substitute operator by a date set by the Final Judgment, Signature must divest the APA Assets by a later date set by the Final Judgment. This Order ensures that, prior to such divestiture, the APA Assets be maintained and operated in a fashion that preserves or improves their existing physical condition should Signature be required to divest.

III. Hold Separate Provisions for the BDL Assets and the PSP Assets

Unit the divestiture required by the Final Judgment has been accomplished;

A. Signature shall preserve, maintain, and operate the BDL Assets and the PSP Assets as independent competitors with management, sales, services, and operations held entirely separate, distinct and apart from those of Signature. Signature shall not coordinate the marketing or sale of services from the BDL Assets' and the PSP Assets' businesses with the FBO businesses at BDL Airport and PSP Airport that Signature will own as a result of the acquisition of Combs. Within twenty (20) calendar days of the filing of the Complaint in this matter, Signature will inform plaintiff of the steps taken to comply with this provision.

B. Signature shall take all steps necessary to ensure that the PSP Assets and the BDL Assets will be maintained and operated as independent, ongoing, economically viable and active competitors in the sale of FBO services at PSP Airport and at BDL Airport: that the management governing the PSP Assets and the BDL Assets will not be influenced by Signature; and that the books, records, competitively sensitive sales, marketing and pricing information, and decision-making associated with the PSP Assets and the BDL Assets will be kept separate and apart from the operations of Signature. Signature's influence over the PSP Assets and the BDL Assets shall be limited to that necessary to carry out Signature's obligations under this Order and the Final Judgment. Signature may receive historical aggregate financial information (excluding pricing information) relating to the PSP Assets and the BDL Assets to the extent necessary to allow Signature to prepare financial reports, tax returns, personnel reports, and other necessary or legally required reports, and Signature shall use

such information only for such purposes.

C. Signature shall use all reasonable efforts to maintain service levels at the FBO operations that represent the PSP Assets and the BDL Assets, and shall maintain, promotional advertising sales, technical assistance, marketing and merchandising support for the PSP Assets and the BDL Assets at current or previously approved levels, whichever are higher.

D. Signature shall provide and maintain sufficient working capital to maintain the PSP Assets and the BDL Assets as economically viable, ongoing businesses.

E. Signature shall provide and maintain sufficient lines and sources of credit to maintain the PSP Assets and the BDL Assets as economically viable, ongoing businesses.

F. Signature shall take all steps necessary to ensure that the PSP Assets and the BDL Assets are fully maintained and are in operable condition at no lower than current service capabilities, and shall maintain and adhere to normal repair and maintenance schedules for the PSP Assets and the BDL Assets.

G. Signature shall not, except as part of a divestiture approved by plaintiff, remove, sell, lease, assign, transfer, pledge or otherwise dispose of or pledge as collateral for loans, any PSP Assets or any BDL Assets.

H. Signature shall maintain, in accordance with sound accounting principles, separate, true, accurate and complete financial ledgers, books and records that report, on a periodic basis, such as the last business day of every month, consistent with past practices, the assets, liabilities, expenses, revenues, income, profit and loss of the PSP Assets and the BDL Assets.

I. Until such time as the PSP Assets and the BDL Assets are divested, except in the ordinary course of business or as is otherwise consistent with this Order, Signature shall not hire, transfer or terminate, or alter, to the detriment of any employee, any current employment or salary agreements for any employees who on the date of the signing of this Agreement work on the sites where the PSP Assets or the BDL Assets are located.

V. Provisions for the APA Assets

Until the divestiture required by the Final Judgment has been accomplished:

A. Signature shall use all reasonable efforts to maintain service levels at the FBO operations that constitute the APA Assets, and shall maintain, promotional, advertising sales, technical assistance, marketing and merchandising support

for the APA Assets at current or previously approved levels, whichever are higher.

B. Signature shall provide and maintain sufficient working capital to maintain the APA Assets as an economically viable, ongoing business.

C. Signature shall provide and maintain sufficient lines and sources of credit to maintain the APA Assets as an economically viable, ongoing business.

D. Signature shall take all steps necessary to ensure that the APA Assets are fully maintained and in operable condition at no lower than its current service capabilities, and shall maintain and adhere to normal repair and maintenance schedules for the APA Assets.

E. Signature shall not, except as part of a divestiture approved by plaintiff, remove, sell, lease, assign, transfer, pledge or otherwise dispose of or pledge as collateral for loans, any APA Assets.

F. Until such time as the APA Assets are divested, except in the ordinary course of business or as is otherwise consistent with this Order, Signature shall not hire, transfer or terminate, or alter, to the detriment of any employee, any current employment or salary agreements for any employees, who on the date of the signing of this Agreement work on the site where the APA Assets are located.

G. Signature shall maintain, in accordance with sound accounting principles, separate, true, accurate and complete financial ledgers, books and records that report on a periodic basis, such as the last business day of every month, consistent with past practices, the assets, liabilities, expenses, revenues, income, profit and loss of the APA Assets.

VI. Other Provisions

Until the divestiture required by the Final Judgment has been accomplished:

A. Signature shall take no action that would interfere with the ability of any trustee(s) appointed pursuant to the Final Judgment to complete the divestiture pursuant to the Final Judgment to suitable purchasers.

B. This Hold Separate Stipulation and Order shall remain in effect until the divestitures required by the Final Judgment are complete, or until further Order of the Court.

Respectfully submitted,

For Plaintiff United States of America.
Nina B. Hale,
Salvatore Massa,
*Attorneys, U.S. Department of Justice,
Antitrust Division, Transportation, Energy,
and Agriculture Section, 325 Seventh Street,
NW., Suite 500, Washington, DC 20530, (202)
307-6351.*

For Defendant Signature Flight Support
Corporation.

Bruce Van Allen,
President and Chief Operating Officer.

For Defendants AMR Combs, Inc. and AMR
Corporation.

Eugene A. Burrus,
*Esquire, AMR Corporation, P.O. Box 619616,
MD 5675, Dallas Fort Worth Airport, TX
75261, (817) 967-1252.*

Dated: March 2, 1999.

So Ordered:

Thomas F. Hogan for Judge Royce C.
Lamberth,
United States District Judge.

Stipulation and Order

It is stipulated by and between the
undersigned parties, by their respective
attorneys, as follows:

1. The Court has jurisdiction over the
subject matter of this action and over
each of the parties hereto, and venue of
this action is proper in the United States
District Court of the District of
Columbia;

2. The parties stipulate that a Final
Judgment in the form hereto attached
may be filed and entered by the Court,
upon the motion of any party or upon
the Court's own motion, at any time
after compliance with the requirements
of the Antitrust Procedures and
Penalties Act (15 U.S.C. § 16), and
without further notice to any party or
other proceedings, provided that
plaintiff has not withdrawn its consent,
which it may do at any time before the
entry of the proposed Final Judgment by
serving notice thereof on defendants
and by filing that notice with the Court;

3. Defendant Signature (as defined in
paragraph II.A of the proposed Final
Judgment attached hereto) shall abide
by and comply with the provisions of
the proposed Final Judgment pending
entry of the Final Judgment, or until
expiration of time for all appeals of any
court ruling declining entry of the
proposed Final Judgment, and shall,
from the date of the signing of this
Stipulation, comply with all the terms
and provisions of the proposed Final
Judgment as though the same were in
full force and effect as an order of the
Court; provided, however, that
Signature shall not be obligated to
comply with Sections V through VIII of
the proposed Final Judgment unless and
until the closing of any transaction in

which Signature directly or indirectly
acquires all or any part of the assets or
capital stock of Combs (as defined in
paragraph II.B of the proposed Final
Judgment attached hereto);

4. Defendants shall not consummate
the transaction before the Court has
signed this Stipulation and Order as
well as the Hold Separate Stipulation
and Order;

5. In the event plaintiff withdraws its
consent, as provided in paragraph 2
above, or in the event the proposed
Final Judgment is not entered pursuant
to this Stipulation, the time has expired
for all appeals of any court ruling
declining entry of the proposed Final
Judgment, and the Court has not
otherwise ordered continued
compliance with the terms and
provisions of the proposed Final
Judgment, then the parties are released
from all further obligations under this
Stipulation, and the making of this
Stipulation shall be without prejudice to
any party in this or any other
proceeding;

6. The defendant Signature represents
that the divestitures ordered in the
proposed Final Judgment can and will
be made, and that the defendant
Signature will later raise no claims of
hardship or difficulty as grounds for
asking the Court to modify any of the
divestiture provisions contained
therein.

Dated: March 1, 1999.

For Plaintiff United States of America:
Nina B. Hale,
Salvatore Massa,
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Antitrust Division, Transportation, Energy,
and Agriculture Section, 325 Seventh Street,
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For Defendant Signature Flight Support
Corporation.

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For Defendants AMR Combs, Inc. and AMR
Corporation

Eugene A. Burrus, Esq.,
*AMR Corporation, P.O. Box 619616, MD 5675,
Dallas Fort Worth Airport, TX 75261, (817)
967-1252.*

Final Judgment (Proposed)

Whereas, plaintiff, the United States
of America ("United States"), filed its
complaint in this action on March 1,
1999, and plaintiff and defendants,
Signature Flight Support Corporation
("Signature"), AMR Combs, Inc.
("Combs") and AMR Corporation, by
their respective attorneys, having
consented to the entry of this Final
Judgment without trial or adjudication

of any issue of fact or law herein, and
without this Final Judgment
constituting any evidence against or an
admission by any party with respect to
any issue of law or fact herein;

And Whereas, defendants have agreed
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 prompt and certain
divestiture of certain fixed based
operator facilities to assure that
competition is not substantially
lessened;

And Whereas, plaintiff requires
defendant Signature to make certain
divestitures for the purpose of
remediating the loss of competition
alleged in the Complaint;

And Whereas, defendants have
represented to plaintiff that the
divestitures ordered herein can and will
be made, and that defendants will later
raise no claims of hardship or difficulty
as grounds for asking the Court to
modify any of the divestitures or
provisions contained below;

Now, Therefore, before taking of any
testimony, and without trial or
adjudication of any issue of fact or law
herein, and upon consent of the parties
hereto, it is hereby *Ordered, adjudged,
and decreed* as follows:

I. Jurisdiction

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

II. Definitions

As used in this Final Judgment:

A. "Signature" means Signature
Flight Support Corporation, a Delaware
corporation with a principal place of
business in Orlando, Florida, and its
successors and assigns, its parents,
subsidiaries, affiliates, and directors,
officers, managers, agents, and
employees acting for or on behalf of any
of them.

B. "Combs" means AMR Combs Inc.,
a Delaware corporation headquartered
in Dallas, Texas, as well as its
successors, assigns, subsidiaries,
affiliates, and directors, officers,
managers, agents, and employees acting
for or on behalf of any of them. Combs
is a wholly owned subsidiary of AMR
Corporation, a Delaware corporation
with its principal place of business in
Fort Worth, Texas, and is a party to the
agreement to sell Combs to Signature.

C. "APA Airport" means Centennial Airport, located near Denver, Colorado.

D. "BDL Airport" means Bradley International Airport, located near Hartford, Connecticut.

E. "PSP Airport" means Palm Springs Regional Airport, located two miles east of Palm Springs, California.

F. The "Assets to be Divested" means all rights, titles and interests, including all fee, leasehold and real property rights, in the PSP Assets, the BDL Assets, and the APA Assets, as defined below:

1. The "PSP Assets" means all tangible and intangible assets controlled by the existing Signature FBO at Palm Springs Airport, as described in Appendix A.

2. The "BDL Assets" means all tangible and intangible assets controlled by the existing Combs FBO at Bradley International Airport, as described in Appendix B, but does not include the assets related to Combs' commercial jet fueling business, such as the bulk fuel storage facility and the fuel farm.

3. The "APA Assets" means all tangible and intangible assets controlled by the existing Combs FBO at Denver Centennial Airport, as described in Appendix C.

G. "FBO" means any or all services related to providing fixed based operator services to general aviation customers, including, but not limited to, selling fuel, leasing hangar, ramp, and office space, providing flight support services, performing maintenance, providing access to terminal facilities, or arranging for ancillary services such as rental cars or hotels.

H. "FBO Facility" means any and all tangible and intangible assets required to provide FBO services, including but not limited to office/terminal space, hangars, ramps, a general aviation fuel farm for Jet A Fuel and aviation gas, and related fueling and maintenance equipment.

I. "SunBorne" means SunBorne Development Corporation, a real estate development company doing business in the Denver, Colorado area.

J. "SunBorne FBO Facility" means the FBO facility that is to be constructed at APA Airport by SunBorne. The SunBorne FBO facility is to consist of (1) an office/terminal facility to occupy the first floor (approximately 15,000 square feet) of a three-floor building to be constructed by SunBorne; (2) one 25,000 square foot hangar to be constructed by SunBorne; (3) a general aviation fuel farm with storage for 40,000 gallons of Jet A fuel and 20,000 gallons of aviation gas to be constructed by Signature; and (4) a 10.8 acre ramp.

K. "Substitute operator for the SunBorne FBO Facility" means a person who, with the approval of SunBorne and of the Arapahoe County Public Airport Authority, will operate the SunBorne FBO Facility in Signature's stead.

III. Applicability

A. The provisions of this Final Judgment apply to defendants, their successors and assigns, their subsidiaries, affiliates, directors, officers, managers, agents, and employees, and all other persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise.

B. Signature shall require, as a condition of the sales or other disposition(s) of all or substantially all of the Assets to be Divested, that the acquiring party or parties agree to be bound by the provisions of this Final Judgment.

IV. The SunBorne FBO Facility

A. Signature shall have until September 1, 1999, to find a substitute operator for the SunBorne FBO Facility that is acceptable to the United States in its sole discretion. The United States, in its sole discretion, may extend the time period for finding a substitute operator by an additional period of time not to exceed thirty (30) calendar days.

V. Divestiture of the Assets

A. Signature is hereby ordered and directed in accordance with the terms of this Final Judgment, within one hundred eighty (180) calendar days after the filing of the Complaint in this matter, or five (5) days after notice of entry of this Final Judgment by the Court, whichever is later, to divest the PSP Assets and the BDL Assets as ongoing businesses to purchasers acceptable to the United States in its sole discretion. With respect to any of the PSP Assets and the BDL Assets to be divested in which Signature holds a leasehold interest, Signature must transfer the entire leasehold including all renewal or option rights.

B. In addition to divesting the PSP Assets and the BDL Assets, Signature shall provide to the purchaser of the BDL Assets (which includes all successors, assigns, parents, subsidiaries, affiliates, and directors, officers, managers, agents, and employees acting for or on behalf of the purchaser) the option of access to the existing Combs jet fuel bulk storage facility and fuel farm for two years. In the event that the purchaser exercises this option, such access shall be limited

to the storage and delivery of the purchaser's owned Jet A fuel for use at the BDL Assets. To the extent Signature charges the purchaser of the BDL Assets for access, the service charge shall be commercially reasonable and shall be no greater than the fee Signature charges any other customer for the same types of services associated with such access.

C. In the event that Signature does not find a substitute operator for the SunBorne FBO Facility by the date set forth in Paragraph A of Section IV. Signature is hereby ordered and directed in accordance with the terms of this Final Judgment, by June 1, 2000, or within 10 (ten) calendar days after receipt of a certificate of occupancy by SunBorne Development Corporation for the SunBorne FBO facility, whichever is sooner, to divest the APA Assets as an ongoing business to a purchaser acceptable to the United States in its sole discretion. With respect to any of the APA Assets in which Signature holds a leasehold interest, Signature must transfer the entire leasehold including all renewal or option rights.

D. Signature shall use its best efforts to facilitate the completion of the SunBorne FBO Facility.

E. Signature shall not take any action, direct or indirect, that will impede in any way the completion of the SunBorne FBO Facility.

F. The plaintiff may, in its sole discretion, relieve Signature of the obligation to divest the APA Assets based on the plaintiff's assessment of changed circumstances relating to the completion of the SunBorne FBO Facility.

G. Signature shall use its best efforts to accomplish each of the divestitures as expeditiously and timely as possible. The United States, in its sole discretion, may extend the time period for any of the divestitures in order to accommodate mandatory municipal, county, state or federal review.

H. In accomplishing each of the divestitures order by this Final Judgment, Signature promptly shall make known, by usual and customary means, the availability of each of Assets to be Divested described in the Final Judgment. Signature shall inform any person making any inquiry regarding a possible purchase that the sales are being made pursuant to this Final Judgment and provide such person with a copy of this Final Judgment. Signature shall also offer to furnish to all prospective purchasers, subject to customary confidentiality assurances, all information regarding the Assets to be Divested customarily provided in a due diligence process, except such information subject to attorney-client

privilege or attorney work-product privilege. Signature shall make available such information to the plaintiff at the same time that such information is made available to any other person.

I. Signature shall not interfere with any negotiations by any purchaser to employ any employee who works at any of the Assets to be Divested, or whose principal responsibility is operating or managing any of the Assets to be Divested.

J. Signature shall permit prospective purchasers of each of the Assets to be Divested to have reasonable access to personnel and to make such inspection of each of the Assets to be Divested; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

K. Signature shall not take any action, direct or indirect, that will impede in any way the operation or value of the Assets to be Divested.

L. Unless the United States otherwise consents in writing, the divestitures pursuant to Section V, or by a trustee appointed pursuant to Section VI of this Final Judgment, shall include all of the Assets to be Divested, operated in place pursuant to the Hold Separate Stipulation and Order, and be accomplished by selling or otherwise conveying all of the Assets to be Divested to purchasers in such a way as to satisfy the United States, in its sole discretion, that each of the Assets to be Divested can and will be used by the purchasers as part of viable, ongoing businesses engaged in providing FBO services at PSP Airport, at BDL Airport, and at APA Airport. Each of the divestitures, whether pursuant to Section V or Section VI of this Final Judgment, shall be made to purchasers for whom it is demonstrated to the United States' sole satisfaction that: (1) The purchasers have the capability and intent of competing effectively in the provision of FBO services at PSP Airport, at BDL Airport, and at APA Airport; (2) the purchasers have or soon will have the managerial, operational, and financial capability to compete effectively in the provision of FBO services at PSP Airport, BDL Airport, and APA Airport; and (3) none of the terms of any agreement between the purchasers and Signature gives Signature the ability unreasonable to raise the purchasers' costs, to lower the purchasers' efficiency, or otherwise to interfere in the ability of the purchasers to complete effectively.

VI. Appointment of Trustee

A. In the event that Signature has not divested all of the Assets to be Divested within the times specified in Section V of this Final Judgment, the Court shall appoint, on application of the United States, a trustee selected by the United States to effect the divestitures of those Assets to be Divested that have not been timely divested.

B. After the appointment of a trustee becomes effective, only that trustee shall have the right to sell the particular Assets to be Divested (i.e., APA Assets, PSP Assets, and/or BDL Assets). The trustee shall have the power and authority to accomplish the divestiture(s) at the best price then obtainable upon a reasonable effort by the trustee, subject to the provisions of Sections V and VII of this Final Judgment, and shall have such other powers as the Court shall deem appropriate. Subject to Section VI(C) of this Final Judgment, the trustee shall have the power and authority to hire at the cost and expense of Signature any investment bankers, attorneys, or other agents reasonably necessary in the judgment of the trustee to assist in the particular divestiture(s), and such professionals and agents shall be accountable solely to the trustee. The trustee shall have the power and authority to accomplish the particular divestiture(s) at the earliest possible time to purchaser(s) acceptable to the United States in its sole discretion and shall have such other powers at this Court shall deem appropriate. Signature shall not object to a sale by trustee on any grounds other than the trustee's malfeasance. Any such objections by Signature must be conveyed in writing to plaintiff and the trustee within ten (10) days after the trustee has provided the notice required under Section VII of this Final Judgment.

C. A trustee shall serve at the cost and expense of Signature, on such terms and conditions as the Court may prescribe, 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 Signature and the trust shall then be terminated. The compensation of the trustee and of professionals and agents retained by the trustee shall be reasonable in light of the value of each of the divested businesses and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the particular divestiture(s)

and the speed with which it is accomplished.

D. Signature shall use its best efforts to assist the trustee in accomplishing the required divestiture(s), including its best efforts to effect all necessary regulatory approvals. 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 Assets to be Divested, and Signature shall develop financial or other information relevant to the Assets to be Divested customarily provided in a due diligence process as the trustee may reasonably request, subject to customary confidentiality assurances. Signature shall permit prospective acquirers of each of the Assets to be Divested to have reasonable access to personnel and to make such inspection of physical facilities and any and all financial, operational or other documents and other information as may be relevant to the divestitures required by this Final Judgment.

E. After its appointment, the trustee shall file monthly reports with the parties and the Court setting forth that trustee's efforts to accomplish the particular divestiture(s) ordered under this Final Judgment; provided however, that 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 any of the Assets to be Divested, and shall describe in detail each contact with any such person during this period. The trustee shall maintain full records of all efforts made to divest the particular Assets to be Divested.

F. If the trustee has not accomplished such divestiture(s) within six (6) months after its appointment, the trustee thereupon shall file promptly with the Court a report setting forth: (1) The trustee's efforts to accomplish the required divestiture(s), (2) the reasons, in the trustee's judgment, why the required divestiture(s) have not been accomplished, and (3) the trustee's recommendations; provided, however, that 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 reports to the parties, who shall each have the right to be heard and

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

VII. Notification

Within two (2) business days following execution of a definitive agreement contingent upon compliance with the terms of this Final Judgment to effect, in whole or in part, the proposed divestitures pursuant to Sections V or VI of this Final Judgment, Signature or a trustee, whichever is then responsible for effecting the particular divestiture(s), shall notify plaintiff of the proposed divestiture(s). If a trustee is responsible, the trustee shall similarly notify Signature. The notice shall set forth the details of the proposed transaction and list the name, address, and telephone number of each person not previously identified who offered to, or expressed an interest in or a desire to, acquire any ownership interest in the particular Assets to be Divested that is the subject of the definitive agreement, together with full details of same. Within fifteen (15) calendar days of receipt by plaintiff of such notice, the United States, in its sole discretion, may request from Signature, the proposed purchaser(s), or any other third party additional information concerning the proposed divestiture(s) and the proposed purchaser(s). Signature and the trustee shall furnish any additional information requested from them within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the plaintiff has been provided the additional information requested from Signature, the proposed purchaser(s), or any third party, whichever is later, the United States shall provide written notice to Signature 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 to Signature and the trustee that it does not object, then the divestiture(s) may be consummated, subject only to Signature's limited right to object to the sales under Section VI(B) of this Final Judgment. Absent written notice that the United States does not object to the proposed purchaser or upon objection by the United States, none of the divestitures proposed under Section V or Section VI shall be consummated. Upon objection by Signature under the

provision in Section VI(B), a divestiture proposed under Section VI shall not be consummated unless approved by the Court.

VIII. 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 divestiture has been completed whether pursuant to Section V or Section VI of this Final Judgment, Signature shall deliver to plaintiff an affidavit as to the fact and manner of compliance with Section V or Section VI of this Final Judgment. Each such affidavit shall include, inter alia, the name, address, and telephone number of each person who, at any time after the period covered by the last such report, 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 each of the Assets to be Divested, 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 that Signature has taken to solicit buyer(s) for each of the Assets to be Divested and to provide required information to prospective purchasers, including the limitations, if any, on such information.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, Signature shall deliver to plaintiff an affidavit which describes in detail all actions Signature has taken and all steps Signature has implemented on an on-going basis to preserve each of the Assets to be Divested pursuant to Section IX of this Final Judgment and the Hold Separate Stipulation and Order entered by the Court. Relating to the PSP Assets and the BDL Assets, the affidavit also shall describe, but not be limited to, Signature's efforts to maintain and operate each of those Assets to be Divested as active competitors, maintain the management, staffing, research and development activities, sales, marketing, and pricing of each of those Assets to be Divested, and maintain the PSP and BDL FBO facilities in operation condition at current capacity configurations. Relating to the APA Assets, the affidavit shall describe, but not be limited to, Signature's efforts to maintain the management, staffing, research and development activities, sales, marketing, and pricing of the APA Assets, and maintain the APA FBO facility in an operable condition at current capacity configurations. Signature shall deliver to plaintiff an affidavit describing any changes to the efforts and actions

outlined in Signature's earlier affidavit(s) filed pursuant to Section VIII(B) within fifteen (15) calendar days after the change is implemented.

C. Until one year after each divestiture has been completed, Signature shall preserve all records of all efforts made to preserve the Assets to be Divested and effect the divestitures.

IX. Hold Separate Order

Until the divestitures required by the Final Judgment have been accomplished, Signature shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Signature shall take no action that would jeopardize the divestiture of any of the Assets to be Divested.

X. Financing

Signature is ordered and directed not to finance all or any part of any purchase by an acquirer made pursuant to Sections V or VI of this Final Judgment.

XI. Compliance Inspection

For the purpose of determining or securing compliance with this Final Judgment, and subject to any legally recognized privilege, from time to time:

A. Duly authorized representatives of the United States Department of Justice, upon written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Signature made to its principal offices, shall be permitted:

1. Access during office hours of Signature to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of Signature, who may have counsel present, relating to any matters contained in this Final Judgment and the Hold Separate Stipulation and Order; and

2. Subject to the reasonable convenience of Signature and without restraint or interference from them, to interview, either informally or on the record, its officers, employees, and agents, who may have counsel present, regarding any such matters.

B. Upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, made to Signature at its principal offices, Signature shall submit such written reports, under oath if requested, with respect to any of the matters contained in this Final Judgment and the Hold Separate Stipulation and Order.

C. No information nor any documents obtained by the means provided in Sections VIII or XI of this Final Judgment shall be divulged by a representative of the United States to any person other than a duly 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 any of the defendants to plaintiff, any of the defendants represents and identifies in writing the material in any such information or documents for which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and marks each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then plaintiff shall give ten (10) days notice to the defendant(s) prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which that defendant is not a party.

XII. Retention of Jurisdiction

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

XIII. Termination

Unless this Court grants an extension, this Final Judgment will expire on the tenth anniversary of the date of its entry.

XIV. Public Interest

Entry of this Final Judgment is in the public interest.

Dated: _____

United States District Judge

Appendix A—PSP Assets

"PSP Assets" means all rights, titles, and interests, including all fee, leasehold and real property rights, in the following assets owned or controlled by Signature that are used by Signature to provide fuel or other services to general aviation customers at PSP Airport.

1. The existing 8,000 square foot Signature terminal and office buildings.

2. Approximately 21,000 square feet of hangar space, consisting of the existing Signature hangar buildings and approximately 30,000 square feet of space prepared for hangar use.

3. The existing Signature above-ground fuel farm consisting of two 20,000 gallon Jet A fuel tanks and one 12,000 gallon avgas tank with fuel separator sump system that is adjacent to the t-hangars.

4. Approximately 40,000 square feet of ramp space adjacent to the foregoing buildings.

5. All equipment and supplies necessary and appropriate to support a viable FBO business at the foregoing facilities, including but not limited to, existing office furniture, lobby furniture, phone system, radios, televisions, towing equipment, golf carts, pickup trucks, refuellers, and ground power units.

6. Contracts (including, but not limited to, customer contracts) and customer lists related to this location.

7. Approximately 2.5 acres of parking space.

Appendix B—BDL Assets

"BDL Assets" means all rights, titles, and interests, including all fee, leasehold and real property rights, in the following assets owned or controlled by Combs that are used by Combs to provide fuel or other services to general aviation customers at BDL Airport.

1. The existing Combs terminal and office buildings.

2. Approximately 50,000 square feet of hangar space, consisting of the existing Combs hangar buildings: One 30,000 square foot hangar (Hangar 214); one 20,000 square foot hangar (Storage Hangar).

3. The existing Combs avgas tank, located adjacent to the commercial airline services building.

4. Approximately 366,000 square feet of ramp space adjacent to the foregoing buildings.

5. All equipment and supplies necessary and appropriate to support a viable FBO business at the foregoing facilities, including but not limited to, existing office furniture, lobby furniture, phone system, radios, televisions, towing equipment, golf carts, pickup trucks, refuellers, ground power units.

6. Contracts (including, but not limited to, customer contracts) and customer lists related to this location.

7. Approximately .9 acres of parking space.

Appendix C—APA Assets

"APA Assets" means all rights, titles, and interests, including all fee, leasehold and real property rights, in the following assets owned or controlled by Combs that are used by Combs to provide fuel or other services to general aviation customers at APA Airport.

1. The existing Combs terminal and office buildings.

2. Approximately 40,000 square feet of hangar space, consisting of the existing Combs hangar buildings: one hangar of 20,000 square feet (Hangar 9); one hangar of 20,000 square feet (Hangar 10).

3. The existing Combs fuel farm consisting of two 12,000 gallon Jet A tanks and one

10,000 gallon avgas tank located 1/4 mile from the executive terminal between Peoria Street and Dove Valley Parkway.

4. Approximately 1,000,000 square feet of ramp space adjacent to the foregoing buildings.

5. All equipment and supplies necessary and appropriate to support a viable FBO business at the foregoing facilities, including but not limited to, existing office furniture, lobby furniture, phone system, radios, televisions, towing equipment, golf carts, pickup trucks, refuellers, and ground power units.

6. Contracts (including, but not limited to, customer contracts) and customer lists related to this location.

7. Approximately 5 acres of parking space.

Competitive Impact Statement

The United States, pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act ("APPA"), 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

On March 1, 1999, the United States filed a Complaint alleging that the proposed acquisition by Signature Flight Support Corporation ("Signature") of the flight support operations of AMR Combs, Inc. ("Combs"), a wholly owned indirect subsidiary of AMR Corporation, would violate Section 7 of the Clayton Act, 15 U.S.C. 18.

The Complaint alleges that Signature and Combs own and operate fixed base operator ("FBO") businesses at various airports around the country. Combs owns and operates eleven FBOs in the United States, including FBOs at Palm Springs Regional Airport ("PSP Airport"), Bradley International Airport ("BDL Airport"), and Denver Centennial Airport ("APA Airport"). The Complaint alleges that Signature and Combs are the only two providers of FBO services for general aviation customers at PSP Airport, located two miles east of Palm Springs, California, and BDL Airport, located near Hartford, Connecticut. The Complaint further alleges that the proposed acquisition will create a monopoly for Signature at those two airports, giving it significant power to raise prices and lower the quality of service. Thus, the proposed acquisition would have likely lessened competition substantially in the market for FBO services at PSP Airport and BDL Airport in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. 18.

The Complaint also alleges that the proposed acquisition would deny general aviation customers at APA Airport, where there are currently two

competing FBOs, the benefits of additional competition at the airport. In 2000, when a new FBO facility is built, Signature was to enter the market as the third FBO. The likely benefits to general aviation customers at APA Airport from competition among three FBOs would have been increased choice and lower prices for fuel and hangar rentals. Signature's proposed acquisition of the Combs FBO at APA Airport would have eliminated the likelihood of anticipated additional competition because entry by a different FBO is not likely. Signature is one of only a few firms positioned to make the necessary commitment for a start-up operation on the scale desired by the airport board. Accordingly, Signature's proposed acquisition would have lessened potential competition in the market for FBO services at APA Airport in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. 18.

The prayer for relief in the Complaint seeks: (1) a judgment that the proposed acquisition would violate Section 7 of the Clayton Act; and (2) a preliminary and permanent injunction preventing Signature and Combs from consummating the proposed acquisition.

At the same time the Complaint was filed, the United States also filed a proposed settlement that would permit Signature to complete its acquisition of Combs, but requires divestitures that would preserve competition for general aviation customers at PSP Airport and at BDL Airport. With regard to APA Airport, the proposed settlement would require a divestiture unless another firm replaces Signature as the operator of the new FBO facility, thereby preserving the potential for competition among three FBOs for general aviation customers at APA Airport.

This settlement consists of a Hold Separate Stipulation and Order ("Hold Separate Order"), and a proposed Final Judgment. The proposed Final Judgment orders Signature to sell the FBO assets at two of the airport—PSP Airport and BDL Airport—to purchasers who have the capability to compete effectively in the provision of FBO services to general aviation customers at those airport. Signature will divest the existing Signature assets located at PSP ("the PSP Assets"). At BDL Airport, Signature will divest the existing Combs assets except for Combs' interests in a bulk jet fuel storage facility and a fuel farm, which is located in different parts of the airport from the Combs FBO facility ("the BDL Assets"). Signature must complete the divestitures of the PSP Assets and the BDL Assets before the later of one hundred and eighty (180) calendar days after filing of the

Complaint, or five (5) days after entry of the Final Judgment, in accordance with the procedures specified in the proposed Final Judgment. If Signature should fail to accomplish the divestitures, a trustee appointed by the Court would be empowered to divest these assets.

With regard to APA Airport, the proposed Final Judgment takes into account two facts: the third FBO facility has not yet been built and Signature would occupy it as a tenant of the builder, a real estate developer called SunBorne Development Company ("SunBorne"). Accordingly, the proposed settlement permits Signature to occupy and operate the existing Combs FBO Facility at APA Airport ("the APA Assets") pending SunBorne's construction of the new FBO. Within ten days of presentation of a certificate of occupancy for the new FBO or June 1, 2000, whichever is sooner, Signature must divest the APA Assets and move into the new FBO facility, unless Signature has found a suitable firm to operate the new FBO facility in its stead.

The Hold Separate Order and the proposed Final Judgment also impose a hold separate agreement that requires defendant Signature to ensure that, until the divestitures mandated by the Final Judgment have been accomplished, the PSP Assets and the BDL Assets will be held separate and apart from, and operated independently of, Signature's other FBO assets and businesses. Similarly, the Hold Separate Order and the proposed Final Judgment require Signature to ensure that, if divestiture of the APA Assets is required, no steps will be taken that would denigrate their value.

The parties 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. Events Giving Rise to the Alleged Violation

A. The Parties and the Proposed Transaction

On December 14, 1998, Signature, AMR Services Holding Corp., and AMR Corporation (the parent of AMR Combs, Inc., and AMR Services Holding Corp.) entered into an agreement under which Signature would seek to acquire all of the capital stock of Combs for approximately \$170 million.

Signature is a wholly owned subsidiary of BBA Group PLC, a British holding company. Signature is a Delaware corporation with its principal place of business in Orlando, Florida. Signature operates a nationwide network of forty-two FBOs throughout the United States, including facilities at PSP Airport and BDL Airport.

Combs is a wholly owned, indirect subsidiary of AMR Corporation, which is a Delaware corporation with its principal place of business in Fort Worth, Texas. Combs is a Delaware corporation, headquartered in Dallas, Texas. It owns and operates eleven FBOs throughout the United States, including ones at PSP Airport, BDL Airport, and APA Airport. Combs also manages two FBOs in Mexico and is an equity partner in an executive aviation center in Hong Kong.

B. The FBO Services Market

FBOs are facilities located at airports that provide flight support services, including aircraft fueling, ramp and hangar rentals, office space rentals, and other services to general aviation customers. General aviation customers include charter, private and corporate aircraft operators, as distinguished from scheduled commercial airlines.

FBOs sell aircraft fuel, as well as related support services such as ramp, hangar and office space rental. The largest source of revenues for an FBO is its fuel sales. FBOs sell Jet A fuel for jet aircraft, turboprops and helicopters, and avgas for smaller, piston driven planes. FBOs do not charge separately for many services offered to general aviation customers, such as use of customer and pilot lounges, baggage handling, and flight planning support, rather, they recover the costs for these services in the price that they charge for fuel. FBOs do charge separately for certain services, such as hangar rental, office space rental, ramp parking fees, catering, cleaning the aircraft, arranging ground transportation and maintenance on the aircraft. General aviation customers generally buy fuel from the same FBO from which they obtain those other services.

The Complaint alleges that the provision of FBO services to general aviation customers at each of the airports—PSP Airport, BDL Airport, and APA Airport—is a relevant market (*i.e.*, a line of commerce and a section of the country) under Section 7 of the Clayton Act. General aviation customers cannot obtain fuel, hangar, ramp and other services offered at PSP Airport, BDL Airport, or APA Airport, except through an FBO authorized to sell such products and services by the local airport

authority. Thus, general aviation customers have no alternatives to FBOs for these products and services when they land at PSP Airport, BDL Airport, or APA Airport.

The Complaint also alleges that FBOs at other airports would not provide economically practical alternatives for general aviation customers who currently use PSP Airport, BDL Airport, and APA Airport. Although there are other airports in the same regions as PSP Airport, BDL Airport, and APA Airport, those other airports are not economically viable substitutes for passengers flying into PSP Airport, BDL Airport, or APA Airport. General aviation customers use PSP Airport, BDL Airport, or APA Airport because of the airport's location, convenience and facilities. General aviation customers have selected these airports in part because of their proximity to their ultimate destination (whether their residence, business or other place); using a different airport would significantly increase their driving time, reducing the convenience of maintaining a corporate jet. There are not enough general aviation customers who have selected PSP Airport, BDL Airport, or APA Airport as their airport who would switch to other airports to prevent anticompetitive price increases for fuel and other services at PSP Airport, BDL Airport, or APA Airport.

C. Competition Between Signature and Combs

1. *PSP Airport and BDL Airport.* Signature and Combs are direct competitors in the provision of FBO services to general aviation customers at PSP Airport and BDL Airport. As the only two FBOs at PSP Airport and BDL Airport, Signature and Combs compete over price and service packages. General aviation customers have benefited from competition between Signature and Combs at PSP Airport and BDL Airport, receiving lower prices and improved FBO services. The acquisition would eliminate this competition, creating a monopoly in the market for FBO services to general aviation customers at PSP Airport and at BDL Airport.

The prospect of new entry is not likely to check Signature's resulting ability to raise prices or reduce service. The financial opportunity that would be created by the anticompetitive effect of this merger would not be great enough to induce a new entrant to make the investments needed to enter the FBO business at PSP Airport and BDL Airport. There are significant sunk costs involved in building an FBO, including the cost of building hangar and ramp facilities. The revenue a new FBO

operation would have to generate to achieve an acceptable rate of return on such an investment exceeds the revenues a new entrant would likely earn. In particular, a new entrant would have to achieve a large enough share of market revenues to be able to cover the fixed (including sunk) costs of entry and be profitable at pre-merger prices. And, the airport authorities' minimum operating standards, which require an FBO to provide other services beyond hangar rental, fueling and maintenance, effectively raise the minimum viable scale of entry, making entry even more difficult. Therefore, new FBO entry on a scale sufficient to prevent a post-merger price increase is not likely to occur at PSP Airport and BDL Airport.

2. *APA Airport.* The market for FBO services at APA Airport is presently highly concentrated, with only two FBOs competing. Prior to its proposed acquisition of Combs, Signature was poised to enter as a third independent competitor early in 2000 when a new FBO facility is to be competed. In September of 1998, Signature signed a detailed letter of intent with SunBorne, the real estate developer, to enter as the tenant operator of an FBO facility at APA Airport in 2000.

For general aviation consumers, the addition of a third, independent FBO at APA Airport would increase consumer choice and would have likely resulted in increased price and quality competition to the benefit of general aviation customers at APA Airport.

Signature's acquisition of Combs significantly lessens the potential for competition among three FBOs at APA Airport. Entry by a different firm that would be the third independent FBO is not likely because Signature was one of only a few firms positioned to make the necessary commitment for a start-up operation.

D. Anticompetitive Consequences of the Acquisition

The Complaint alleges that Signature's acquisition of Combs would result in FBO monopolies at PSP Airport and at BDL Airport. The Complaint further alleges that Signature's acquisition of the Combs FBO at APA Airport would deprive general aviation customers of the benefits of additional competition from having three independent FBOs, rather than just two.

The Complaint alleges that the acquisition of Combs by Signature would substantially lessen competition and restrain trade unreasonably. The transaction would have eliminated actual competition between Signature and Combs in the market for FBO

services at PSP Airport and BDL Airport, resulting in an increase in prices for fuel and other FBO services. In addition, potential competition at APA Airport would be substantially lessened, and prices for fuel and other FBO services sold to general aviation customers at APA Airport would not decrease.

III. Explanation of the Proposed Final Judgment

The United States brought this action because the effect of the acquisition of Combs by Signature may be substantially to lessen competition, in violation of Section 7 of the Clayton Act, in the markets for FBO services provided to general aviation customers at PSP Airport, BDL Airport, and APA Airport.

A. PSP Airport and BDL Airport Provisions

The risk to competition posed by this acquisition at PSP Airport and BDL Airport, however, would be eliminated if certain assets, leases, and agreements currently held by Signature or Combs to operate their PSP Airport and BDL Airport FBO businesses were sold and assigned to a purchaser that could operate them as an active, independent and financially viable competitor. To this end, the provisions of the proposed Final Judgment are designed to accomplish the sale and assignment of certain assets and leaseholds to such a purchaser and thereby prevent the anticompetitive effects of the proposed acquisition.

Section V of the proposed Final Judgment requires defendant Signature, within one hundred and eighty (180) calendar days after filing of the Complaint in this matter, or within five (5) days after notice of entry of the Final Judgment by the Court, whichever is later, to divest an FBO business at PSP Airport and an FBO business at BDL Airport, as set out in Section II.C (i.e., the PSP Assets and the BDL Assets) of the proposed Final Judgment. Unless the United States otherwise consents in writing, Signature is required to divest its present FBO business at PSP Airport, including all hangars, ramp and office space, fuel farms, and any related terminal and maintenance facilities located on the property it presently leases as well as any other leases or options on leases it possesses at PSP Airport.

At BDL Airport, Signature is required to divest Combs's present FBO operation, including all hangars, ramp and office space, and any related terminal and maintenance facilities located on the property Combs presently

leases, as well as any other leases or options on leases Combs possesses at BDL Airport. Combs does not have a jet fuel farm at its FBO location. It obtains fuel for its general aviation customers from its fuel farm located at BDL Airport's commercial terminal. Combs's fuel farm serves predominantly commercial aviation customers, and Combs's commercial fueling business is separate from its FBO business. The proposed Final Judgment requires Signature, which will own the fuel farm after the acquisition, to provide the purchaser of the Combs FBO business with non-discriminatory and unlimited access to the fuel farm at the commercial terminal for a minimum of two years. Access will be limited to the storage and delivery of the purchaser's owned Jet A fuel for FBO use at BDL Airport. Signature may charge the purchaser a commercially reasonable access charge that is not greater than what it charges others for the costs associated with the purchaser's use of the facilities. Of course, the purchaser of the Combs FBO business is free to build its own fuel farm (which it could do in relatively short amount of time for a moderate cost), or it may negotiate a longer term access agreement with Signature.

B. APA Airport Provisions

The risk to competition posed by this acquisition at APA Airport would be eliminated if the likelihood of entry by a third, independent FBO remains the same after the transaction as it was before. This could be accomplished in one of two ways: (1) Signature could go ahead with its plan to be the operator of the new FBO upon its completion, and sell the existing Combs FBO business ("the APA Assets") to a purchaser that could operate it as an independent and financially viable competitor; or (2) Signature could find a firm willing to operate the new FBO instead of Signature, in which case, Signature could operate the existing Combs business.

Accordingly, Section IV of the proposed Final Judgment gives Signature until September 1, 1999, to find a substitute operator for the new FBO facility. If Signature is unsuccessful, Section V of the proposed Final Judgment requires Signature to move into the new FBO facility and divest the APA Assets no later than June 1, 2000, or within ten days of receiving a certificate of occupancy from SunBorne. Section V further provides that if circumstances relating to the completion of the new FBO change, the United States may, in its discretion, relieve Signature of the obligation to sell

the APA Assets. As a result of the obligations imposed on Signature, and the divestiture required by the proposed Final Judgment, general aviation customers at APA Airport will be able to reap the benefits of three competing FBOs in 2000.

C. General Divestiture Provisions

For each of the required divestitures, Signature shall divest such equipment and supplies as is necessary and appropriate to operate a viable FBO at PSP Airport, BDL Airport, and APA Airport. Signature shall transfer its contracts, including customer contracts, and customer lists, for providing FBO services at each airport. Together with the equipment, supplies and customer contracts and lists, and the commitment to access to the fuel farm at BDL Airport at a reasonable price, these assets will give qualified purchasers the means to establish themselves as competitive alternatives to Signature. Thus, as a result of the divestitures required by the proposed Final Judgment, general aviation consumers at PSP Airport and BDL Airport will continue to have a choice between two competitive FBOs, and at APA Airport, the likelihood of their having three competing FBOs has been maintained.

Under the proposed Final Judgment, Signature must take all reasonable steps necessary to accomplish quickly the divestitures of the PSP Assets, the BDL Assets, and the APA Assets, and shall cooperate with prospective purchasers by supplying all information relevant to the proposed sales. Should Signature fail to complete any of its divestitures within the required time periods, the Court will appoint, pursuant to Section VI, a trustee to accomplish the divestitures. The United States will have the discretion to delay the appointment of the trustee in order to permit other governmental review (such as the county or municipal airport authority).

Following the trustee's appointment, only the trustee will have the right to sell the divestiture assets, and defendant Signature will be required to pay for all of the trustee's sale-related expenses. The trustee's compensation will be structured to provide an incentive for the trustee to obtain the highest price for the assets to be divested, and to accomplish the divestitures as quickly as possible.

Section VII of the proposed Final Judgment would assure the United States an opportunity to review any proposed sale, whether by Signature or by the trustee, before it occurs. Under this provision, the United States is entitled to receive complete information

regarding any proposed sale or any prospective purchaser prior to consummation. Upon objection by the United States to a sale of any of the divestiture assets by the defendant Signature, any proposed divestiture may not be completed. Should the United States object to a sale of any of the divested assets by the trustee, that sale shall not be consummated unless approved by the Court.

Pursuant to Section VI.F, should the trustee not accomplish the divestitures within six months of appointment, the trustee and the parties will make a recommendation to the Court, which shall enter such orders as it deems appropriate to carry out the purpose of the trust, which may include extending the term of the trustee's appointment.

Under Section IX of the proposed Final Judgment, defendant Signature must take certain steps to ensure that, until the required divestitures have been completed, the PSP Assets and the BDL Assets will be maintained as separate, ongoing, viable FBO businesses and kept distinct from Signature's other FBO operations. Until such divestitures, Signature must also continue to maintain and operate the divestiture assets as viable, independent competitors as PSP Airport and BDL Airport, using all reasonable efforts to maintain sales of FBO services to general aviation customers at PSP Airport and BDL Airport. Until the divestiture, Signature must maintain and operate the APA Assets as a viable entity, using all reasonable efforts to maintain its sales of FBO services to general aviation customers at APA Airport. Signature must maintain all three FBO businesses at PSP Airport, BDL Airport, and APA Airport, so that they continue to be stable, including maintaining all records, loans, and personnel for their operation.

Section XI requires the Signature to make available, upon request, the business records and the personnel of its businesses. This provision allows the United States to inspect Signature's facilities and ensure that Signature is complying with the requirements of the proposed Final Judgment. Section XIII of the proposed Final Judgment provides that it will expire on the tenth anniversary of its entry by the Court.

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

attorney's 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 the defendants.

V. Procedure for Commenting on 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**. The United States will evaluate and respond to the comments. All comments will be given due consideration by the Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to entry. 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: Roger W. Fones, Chief, Transportation, Energy & Agriculture Section, Antitrust Division, 325 Seventh Street, N.W., Suite 500, Washington, D.C. 20530.

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 of its Complaint against Signature and Combs. The United States is satisfied, however, the divestitures of the assets and other relief contained in the proposed Final Judgment will preserve viable competition in the provisions of FBO services to general aviation customers at PSP Airport, BDL Airport, and APA Airport that otherwise would be affected adversely by the acquisition. Thus, the compliance with the proposed Final Judgment and the completion of the sale required by the Judgment would achieve the relief the government would have obtained through litigation, but avoids

the time, expense, and uncertainty of a full trial on the merits of the government's Complaint.

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

The APPA requires that proposed consent judgments in antitrust cases brought by the United States be subject to a sixty (60) day comment period, after which the court shall determine whether entry of the proposed Final Judgment "is in the public interest." In making that determination, the court may consider—

(1) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment;

(2) the impact of entry of such judgment 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). As the United States Court of Appeals for the D.C. Circuit has held, this statute permits a court to consider, 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 *United States v. Microsoft*, 56 F.3d 1448, 1461–62 (D.C. Cir 1995).

In conducting this inquiry, "the 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."¹ Rather, 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.

United States v. Mid-America

Dairymen, Inc., 1977–1 Trade Cas. ¶ 61,508, at 71,980 (W.D. Mo. 1977).

Accordingly, 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), quoting *United States v. Bechtel Corp.*, 648 F.2d 660, 666 (9th Cir.), cert. denied, 454 U.S. 1083 (1981); see also *Microsoft*, 56 F.3d at 1460–62. Precedent requires that

the balancing of competing social and political interest 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.²

The proposed Final Judgment, therefore, should not be reviewed under a standard of whether it is certain to eliminate every anticompetitive effect of a particular particular practice or whether in mandates certainty of free competition in the future. Court approval of a final judgment requires a standard more flexible and less strict than the standard required for a finding of liability. "[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.'" (citations omitted).³

VIII. Determinative Materials and Documents

There are no materials or documents that the United States considered to be determinative in formulating this proposed Final Judgment. Accordingly,

² *United States v. Bechtel*, 648 F.2d at 666 (citations omitted) (emphasis added); see *United States v. BNS, Inc.*, 858 F.2d at 463; *United States v. National Broadcasting Co.*, 449 F. Supp. 1127, 1143 (C.D. Cal. 1978); *United States v. Gillette Co.*, 406 F. Supp. at 716; see also *Microsoft*, 56 F.3d at 1461 (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.'" (citations omitted)).

³ *United States v. American Tel. and Tel. Co.*, 552 F.Supp. 131, 150 (D.D.C. 1982), *aff'd sub nom*, *Maryland v. United States*, 460 U.S. 1001 (1983), quoting *United States v. Gillette Co.*, *Supra*, 406 F.Supp. at 716; *United States v. Alcan Aluminum, Ltd.*, 605 F.Supp. 619, 622 (W.D. Ky. 1985).

¹ 119 Cong. Rec. 24598 (1973). See *United States v. Gillette Co.*, 406 F. Supp. 713, 715 (D. Mass. 1975). A "public interest" determination can be made properly on the basis of the Competitive Impact Statement and Response to comments filed pursuant to the APPA. Although the APPA authorizes the use of additional procedures, 15 U.S.C. § 16(f), those procedures are discretionary. A court need not invoke any of them unless it believes that the comments have raised significant issues and that further proceedings would aid the court in resolving those issues. See H.R. Rep. 93–1463, 93rd Cong. 2d Sess. 8–9 reprinted in (1974) U.S. Code Cong. & Ad News 6535, 6538.

none are being filed with this Competitive Impact Statement.

Dated: March 15, 1999.

Respectfully submitted,

Nina B. Hale,

Salvatore Massa,

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DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. 98-36]

Francois J. Saculla, M.D., Revocation of Registration

On April 13, 1998, the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration (DEA), issued an Order to Show Cause to Francois J. Saculla, M.D. (Respondent) of Racine, Wisconsin notifying him of an opportunity to show cause as to why DEA should not revoke his DEA Certificate of Registration BS1404552, and deny any pending applications for renewal of his registration pursuant to 21 U.S.C. 823(f) and 824(a)(3), for reason that he is not currently authorized to handle controlled substances in the State of Wisconsin.

By letter dated May 21, 1998, but not filed with the Office of Administrative Law Judges until July 20, 1998, Respondent requested a hearing, and the matter was docketed before Administrative Law Judge Mary Ellen Bittner. On August 20, 1998, the Government filed a Motion for Summary Disposition alleging that Respondent is not currently authorized to handle controlled substances in the state in which he is registered with DEA and therefore DEA cannot maintain his registration. Judge Bittner provided Respondent with an opportunity to respond to the Government's motion, but no such response was filed.

On October 14, 1998, Judge Bittner issued her Opinion and Recommended Decision finding that Respondent lacked authorization to handle controlled substances in Wisconsin; granting the Government's Motion for Summary Disposition; and recommending that Respondent's DEA Certificate of Registration be revoked. Neither party filed exceptions to her opinion, and on November 24, 1998, Judge Bittner transmitted the record of these

proceedings to the then-Acting Deputy Administrator.

The Deputy Administrator has considered the record in its entirety, and pursuant to 21 CFR 1316.67, hereby issues his final order based upon findings of fact and conclusions of law as hereinafter set forth. The Deputy Administrator adopts, in full, the Opinion and Recommended Decision of the Administrative Law Judge. His adoption is in no manner diminished by any recitation of facts, issues and conclusions herein, or of any failure to mention a matter of fact or law.

The Deputy Administrator finds that in a Final Decision and Order dated November 25, 1994, the State of Wisconsin, Medical Examining Board (Board) limited Respondent's license to practice medicine. The Board Order prohibited Respondent from treating any female patient; ordered that his entire practice be under the direct supervision of another physician; required that Respondent undergo psychological evaluation within 90 days; and advised that any additional limitations recommended by the psychologist would be adopted by the Board. In addition, costs were assessed against Respondent in the amount of \$22,000. The Order placed no limitations on Respondent's ability to handle controlled substances in Wisconsin. Therefore, Respondent presently possesses a limited license to practice medicine in Wisconsin.

However, in order to practice medicine in Wisconsin an individual must not only be licensed but must also possess a registration. Respondent's Wisconsin registration expired on November 1, 1995. Therefore, Respondent is unable to practice medicine in the State of Wisconsin. The Deputy Administrator finds that it is reasonable to infer that if Respondent is unable to practice medicine in Wisconsin, he is also not authorized to handle controlled substances in that state. In his request for a hearing, Respondent did not deny that he was not currently authorized to handle controlled substances in Washington.

The DEA does not have statutory authority under the Controlled Substances Act to issue or maintain a registration if the applicant or registrant is without authority to handle controlled substances in the state in which he conducts his business. 21 U.S.C. 802(21), 823(f) and 824(a)(3). This prerequisite has been consistently upheld. See *Romeo J. Perez, M.D.*, 62 FR 16,193 (1997); *Demetris A. Green, M.D.*, 61 FR 60,728 (1996); *Dominick A. Ricci, M.D.*, 58 FR 51,104 (1993).

Here it is clear that Respondent is not currently authorized to handle controlled substances in Wisconsin, where he is registered with DEA. Since Respondent lacks this state authority, he is not entitled to a DEA registration in that state.

In light of the above, Judge Bittner properly granted the Government's Motion for Summary Disposition. It is well settled that where there is no material question of fact involved, or when the material facts are agreed upon, there is no need for a plenary, administrative hearing. Congress did not intend for administrative agencies to perform meaningless tasks. *Gilbert Ross, M.D.*, 61 FR 8664 (1996); *Philip E. Kirk, M.D.*, 48 FR 32,887 (1993), *aff'd sub nom Kirk v. Mullen*, 749 F.2d 297 (6th Cir. 1984).

Accordingly, the Deputy Administrator of the Drug Enforcement Administration, pursuant to the authority vested in him by 21 U.S.C. 823 and 824 and 28 CFR 0.100(b) and 0.104, hereby orders that DEA Certificate of Registration BS1404552, previously issued to Francois J. Saculla, M.D., be, and it hereby is, revoked. The Deputy Administrator further orders that any pending applications for renewal of such registration, be, and they hereby are, denied. This order is effective April 26, 1999.

Dated: March 22, 1999.

Donnie R. Marshall,

Deputy Administrator.

[FR Doc. 99-7441 Filed 3-25-99; 8:45 am]

BILLING CODE 4410-09-M

DEPARTMENT OF LABOR

Office of the Secretary

Submission for OMB Review; Comment Request

March 23, 1999.

The Department of Labor (DOL) has submitted the following public information collection requests (ICRs) 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 each individual ICR, with applicable supporting documentation, may be obtained by calling the Department of Labor, Acting Departmental Clearance Officer, Pauline Perrow ((202) 219-5096 ext. 165) or by E-Mail to Perrow-Pauline@dol.gov.

Comments should be sent to Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for BLS, DM,