

Board of Governors of the Federal Reserve System, June 24, 1999.

**Jennifer J. Johnson,**  
*Secretary of the Board.*

[FR Doc. 99-16632 Filed 6-29-99; 8:45 am]

BILLING CODE 6210-01-F

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

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

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than July 23, 1999.

**A. Federal Reserve Bank of Boston**  
(Richard Walker, Community Affairs Officer) 600 Atlantic Avenue, Boston, Massachusetts 02106-2204:

1. *American Financial Bancorp, Inc.*, Waterbury, Connecticut; to become a bank holding company by acquiring 100 percent of the voting shares of American Bank of Connecticut, Waterbury, Connecticut.

**B. Federal Reserve Bank of New York**  
(Betsy Buttrill White, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. *Maham Beteiligungsgesellschaft AG*, Zurich, Switzerland; to become a bank holding company by acquiring 25 percent of the voting shares of Habib American Bank, New York, New York.

**C. Federal Reserve Bank of Atlanta**  
(Lois Berthaume, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303-2713:

1. *Georgia Community Bancorp, Inc.*, Reynolds, Georgia; to acquire 100 percent of the voting shares of Bank of Terrell (in organization), Dawson, Georgia, and Commercial State Bank (in organization), Donalsonville, Georgia.

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## FEDERAL RESERVE SYSTEM

### Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than July 14, 1999.

**A. Federal Reserve Bank of New York**  
(Betsy Buttrill White, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. *The Fuji Bank, Limited*, Tokyo, Japan; to engage *de novo* through its subsidiary, Yasuda Bank and Trust Company (U.S.A.), New York, New York, in trust company functions, pursuant to § 225.28(b)(5) of Regulation Y.

**B. Federal Reserve Bank of Richmond**  
(A. Linwood Gill III, Assistant Vice President) 701 East Byrd Street, Richmond, Virginia 23261-4528:

1. *BB&T Corporation*, Winston-Salem, North Carolina; to acquire First Liberty Financial Corp., Macon, Georgia, and thereby indirectly acquire First Community Bank of Vidalia, Vidalia, Georgia, and thereby engage in operating a savings association, pursuant to § 225.28(b)(4)(ii) of Regulation Y; First Liberty Bank, Macon, Georgia, and thereby engage in operating a savings association, pursuant to § 225.28(b)(4)(ii) of Regulation Y, and in community development activities, pursuant to § 225.28(b)(12)(i) of Regulation Y; OFC Capital Corporation, Roswell, Georgia, and thereby engage in leasing activities, pursuant to § 225.28(b)(3) of Regulation Y; Liberty Mortgage Corporation, Atlanta, Georgia, and thereby engage in extending credit and servicing loans, pursuant to § 225.28(b)(1) of Regulation Y; NewSouth Financial Services, Inc., Macon, Georgia, and thereby engage in extending credit and servicing loans, pursuant to § 225.28(b)(1) of Regulation Y; and First Freedom Investments, Inc., Macon, Georgia, and thereby engage in securities brokerage activities, pursuant to § 225.28(b)(7)(i) of Regulation Y.

In connection with this proposal, BB&T Corporation has requested permission to exercise an option that would enable BB&T Corporation to acquire up to 19.9 percent of the voting securities of First Liberty Financial Corp., under certain circumstances.

2. *Independent Community Bankshares, Inc.*, Middleburg, Virginia; to acquire Gilkison & Patterson Investment Advisors, Inc., Alexandria, Virginia, and thereby engage in trust company functions, pursuant to § 228.25(b)(5) of Regulation Y, and financial and investment advisory activities, pursuant to § 228.25(b)(6) of Regulation Y.

3. *Wachovia Corporation*, Winston-Salem, North Carolina; to merge with OFFITBANK Holdings, Inc., New York, New York, and thereby indirectly acquire its subsidiaries, including OFFITBANK, New York, New York, and OFFIBANK Derivatives, Inc., New York, New York, and thereby engage in trust company activities, pursuant to § 225.28(b)(5) of Regulation Y, financial and investment advisory activities, pursuant to § 225.28(b)(6) of Regulation Y, providing securities brokerage, riskless principal, private placement, futures commission merchant, and other agency transactional services, pursuant to §§ 225.28(b)(7) of Regulation Y, extending credit and servicing loans,

pursuant to § 225.28(b)(1) of Regulation Y, providing credit related services, pursuant to § 225.28(b)(2) of Regulation Y; acting as principal in investing and trading activities, pursuant to § 225.28(b)(8)(ii) of Regulation Y; acting as principal in the buying and selling of bullion and related activities, pursuant to § 225.28(b)(8)(iii) of Regulation Y, providing data processing and data transmission services, pursuant to § 225.28(b)(14) of Regulation Y; providing administrative services to open-end and closed-end investment companies for which it acts as investment adviser, pursuant to Board Order, see *Mellon Bank Corporation*, 79 Fed. Res. Bull., 626 (1993); *CommerzBank AG*, 83 Fed. Res. Bull. 679 (1997)), and thereby engage in serving a private investment limited partnership that engage in activities permissible for a bank holding company to engage in, pursuant to Board Order, see *Dresdner Bank AG*, 84 Fed. Res. Bull. 361 (1998)).

Board of Governors of the Federal Reserve System, June 24, 1999.

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## FEDERAL TRADE COMMISSION

[File No. 9810339]

### Albertson's Inc., et al., Analysis To Aid Public Comment

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed consent agreement.

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

**DATES:** Comments must be received on or before August 30, 1999.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Richard Liebeskind or James Fishkin, FTC/S-2105, 601 Pennsylvania Avenue, NW, Washington, DC 20580, (202) 326-2441 or (202) 326-2663.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46, and Section 2.34 of the

Commission's Rules of Practice, 16 CFR 2.34, notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for June 22, 1999), on the World Wide Web, at "<http://www.ftc.gov/os/actions97.htm>." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, 600 Pennsylvania Avenue, NW, Washington, DC 20580, either in person or by calling (202) 326-3627.

Public comment is invited. Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580. Two paper copies of each comment should be filed, and should be accompanied, if possible, by a 3½ inch diskette containing an electronic copy of the comments. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

### Analysis of the Draft Complaint and Proposed Consent Order To Aid Public Comment

#### I. Introduction

The Federal Trade Commission ("Commission") has accepted for public comment from Albertson's, Inc. ("Albertson's") and American Stores Company ("American Stores") (collectively "the Proposed Respondents") an Agreement Containing Consent Order ("the proposed consent order"). The Proposed Respondents have also reviewed a draft complaint that the Commission contemplates issuing. The proposed consent order is designed to remedy likely anticompetitive effects arising from Albertson's proposed stock-for-stock acquisition of all of the outstanding securities of American Stores.

#### II. Description of the Parties and the Proposed Acquisition

Albertson's, a Delaware corporation headquartered in Boise, Idaho, operates approximately 994 supermarkets in 25 Western, Midwestern, and Southern states. Albertson's supermarkets operate

primarily under the "Albertson's," "Max Grocery Warehouse," "Seessel's" and "Smitty's" trade names. Albertson's competes with American Stores in California, Nevada and New Mexico. Albertson's operates 177 supermarkets in California, 31 supermarkets in Nevada, and 19 supermarkets in New Mexico. Albertson's total sales for the fiscal year that ended on January 28, 1999, were approximately \$16.0 billion. Albertson's is the fourth largest supermarket chain in the United States, based on total sales. After the merger with American Stores, Albertson's will become the second largest supermarket chain in the United States.

American Stores, a Delaware corporation headquartered in Salt Lake City, Utah, operates approximately 802 supermarkets and 773 stand-alone pharmacies in 31 states. American Stores operates supermarkets, including combination supermarket and pharmacies, in 12 Western, Midwestern and Eastern states under the "Lucky," "Lucky Sav-On," "SuperSaver," "Acme Markets," and "Jewel Food Stores" trade names. American Stores operates approximately 411 supermarkets in California, 25 supermarkets in Nevada, and 11 supermarkets in New Mexico. These American Stores supermarkets are all in the company's Lucky Division and operate under the "Lucky," "SuperSaver" and "Lucky Sav-On" trade names. American Stores' total sales for the fiscal year that ended on January 30, 1999, were \$19.9 billion. Based on total sales, American Stores is the second largest supermarket chain in the United States.

On August 2, 1999, Albertson's, Abacus Holdings, Inc. ("Abacus"), a wholly owned subsidiary of Albertson's, and American Stores entered into an Agreement and Plan of Merger pursuant to which Abacus will acquire all of the outstanding securities of American Stores. Under the merger agreement, Abacus will convert the American Stores stock into Albertson's stock based on a 0.63 exchange rate. As a result, 100 shares of American Stores stock will be converted to 63 shares of Albertson's stock. The transaction, at the time it was negotiated, had a total value of approximately \$11.7 billion, including an equity value of \$8.3 billion and debt of \$3.4 billion. Today, the acquisition is valued at approximately \$13 billion.

#### III. The Draft Complaint

The draft complaint alleges that the relevant line of commerce (i.e., the product market) is the retail sale of food and grocery items in supermarkets.