

agency or officials thereof are a party to litigation or where the agency or officials may be affected by a case or matter, may be disseminated to such agency to notify the agency of the status of the case or matter or of any decision or determination that has been made, or to make such other inquiries and reports as are necessary during the processing of the case or matter; (4) a record relating to a case or matter may be disseminated to a foreign country pursuant to an international treaty or convention entered into and ratified by the United States or to an executive agreement; (5) a record may be disseminated to a federal, state, local, foreign, or international law enforcement agency to assist in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency; (6) a record may be disseminated to a foreign country, through the United States Department of State or directly to the representative of such country, to the extent necessary to assist such country in civil or criminal proceedings in which the United States or one of its officers or agencies has an interest; (7) a record, or any facts derived therefrom, may be disclosed in a grand jury proceeding or in a proceeding before a court or adjudicative body before which the Civil Division is authorized to appear when the United States, or any agency or subdivision thereof, is a party to litigation and such records are determined by the Civil Division to be arguably relevant to the litigation; (8) to facilitate processing Freedom of Information and Privacy Act requests for these records, information may be disclosed to another Federal agency to (a) permit a decision as to access, amendment or correction of records to be made in consultation with or by that agency, or (b) verify the identity of an individual or the accuracy of information submitted by an individual who has requested access to or amendment or correction of records; (9) information may be released to the news media and the public in accordance with 28 CFR 50.2 unless it is determined that release would constitute an unwarranted invasion of personal privacy; (10) a record may be disclosed to the National Archives and Records Administration and the General Services Administration in records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906; (11) in any health care-related civil or criminal case, investigation, or matter, information indicating patient harm, neglect, or abuse, or poor or

inadequate quality of care, at a health care facility or by a health care provider, may be disclosed as a routine use to any federal, state, local, tribal, foreign, joint, international or private entity that is responsible for regulating, licensing, registering, or accrediting any health care provider or health care facility, or enforcing any health care-related laws or regulations. Further, information indicating an ongoing quality of care problem by a health care provider or at a health care facility may be disclosed to the appropriate health plan. Additionally, unless otherwise prohibited by applicable law, information indicating patient harm, neglect, abuse, or poor or inadequate quality of care may be disclosed to the affected patient or his or her representative or guardian at the discretion of and in the manner determined by the agency in possession of the information; (12) pursuant to subsection (b)(3) of the Privacy Act, the Department of Justice may disclose relevant and necessary information to a former employee of the Department for purposes of: responding to an official inquiry by a federal, state, or local government entity or professional licensing authority, in accordance with applicable Department regulations; or facilitating communications with a former employee that may be necessary for personnel-related or other official purposes where the Department requires information and/or consultation assistance from the former employee regarding a matter within that person's former area of responsibility; (This routine use was added by **Federal Register** notice of January 31, 2001 (66 FR 8425).) (13) information relating to health care fraud may be disclosed to private health plans, or associations of private health plans, and health insurers, or associations of health insurers, for the following purposes: To promote the coordination of efforts to prevent, detect, investigate, and prosecute health care fraud; to assist efforts by victims of health care fraud to obtain restitution; to enable private health plans to participate in local, regional, and national health care fraud task force activities; and to assist tribunals having jurisdiction over claims against private health plans; (This routine use was added by **Federal Register** notice of March 29, 2001 (66 FR 17200).) (14) for all claims made by individuals covered by the Energy Employees Occupational Injury Compensation Program Act, Pub. L. 106-398, 114 Stat. 1654, Title XXXVI (2000), 42 U.S.C. 7384 *et seq.*, the Civil Division may disclose to the Department

of Labor all information contained in its Radiation Exposure Compensation Act, (42 U.S.C. 2210 note) files pertinent to those claims; (15) to contractors, experts, consultants employed by the Civil Division when necessary to accomplish an agency function related to this system of records.

\* \* \* \* \*

[FR Doc. 01-17475 Filed 7-11-01; 8:45 am]

BILLING CODE 4410-12-P

## 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, and Competitive Impact Statement have been filed with the U.S. District Court for the District of Columbia in *United States v. Signature Flight Support Corp., et al.*, Civil No. 01-CV-1365. The proposed Final Judgment is subject to approval by the Court after the expiration of the statutory sixty-day public comment period and compliance with the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)-(h).

On June 20, 2001, the United States filed a Complaint alleging that the proposed acquisition by Signature Flight Support Corp. ("Signature") of Ranger Aerospace Corporation ("Ranger") and its subsidiary Aircraft Service International Group, Inc. ("ASIG") would violate of Section 7 of the Clayton Act, 15 U.S.C. Signature and ASIG each own and operate fixed base operators ("FBOs") that provide flight support services at various airports in the United States. The proposed Final Judgment, filed at the same time as the Complaint, requires Signature to divest ASIG's FBO business at Orlando International Airport, along with certain tangible and intangible assets. A Competitive Impact Statement filed by the United States describes the Complaint, the proposed Final Judgment, the industry, and remedies available to private litigants who may have been injured by the alleged violations.

Public comment is invited within the statutory sixty-day comment period. 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.

Copies of the Complaint, Hold Separate 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 the office of the Clerk of the U.S. 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.

**Constance K. Robinson,**

*Director of Operations, Antitrust Division.*

Case Number 1: 01CV01365  
Judge: Colleen Kollar-Kotelly  
Deck Type: Antitrust  
Date Stamp: 06/20/2001

**Complaint**

The United States of America, by its attorney, acting under the direction of the Attorney General of the United States, brings this civil action to prevent the proposed acquisition by Signature Flight Support Corporation ("Signature") of the competing fixed base operations of Ranger Aerospace Corporation ("Ranger") and its wholly owned subsidiary Aircraft Service International Group, Inc. ("ASIG").

**I**

*Nature of the Action*

1. Signature and ASIG both own and operate a fixed base operator ("FBO") business at Orlando International Airport ("MCO Airport"). FBOs provide flight support services—including fueling, ramp and hangar rentals, office space rentals, and other services—to general aviation customers from facilities at airports. General aviation customers include charter, private and corporate aircraft operators. Signature owns and operates FBOs at forty-four airports around the country, and ASIG owns and operates FBOs at three airports.

2. Currently, Signature and ASIG are the only two FBOs competing at MCO Airport. As the only two FBOs operating at MCO Airport, Signature and ASIG compete head-to-head on price and quality of services to general aviation customers. The acquisition would eliminate this competition, reducing the number of competitors from two to one, creating an FBO monopoly at MCO Airport. The acquisition would give Signature the ability to raise prices and lower the quality of services to MCO

Airport general aviation customers. Accordingly, the proposed acquisition of those two FBOs is likely to lessen competition substantially in the market for FBO services at MCO Airport in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. 18.

**II**

*Jurisdiction and Venue*

3. This action is filed pursuant to Section 15 of the Clayton Act, as amended, 15 U.S.C. 25, to prevent and restrain the violation by the defendants, as hereinafter alleged, of Section 7 of the Clayton act, as amended, 15 U.S.C. 18.

4. All defendants are engaged in interstate commerce and in activities substantially affecting interstate commerce. Signature and Ranger, through its wholly owned subsidiary, ASIG, provide FBO services to aircraft landing throughout the United States and overseas. Signature, Ranger and ASIG consent to jurisdiction in the District of Columbia for purposes of 15 U.S.C. 22 and 28 U.S.C. 1391(c).

5. This Court has jurisdiction over the subject matter of this action and jurisdiction over the parties pursuant to 15 U.S.C. 1331 and 1337. Venue is proper pursuant to 28 U.S.C. 1391(c).

**III**

*Defendants and the Transaction*

6. Signature is a Delaware corporation with its principal place of business in Orlando, Florida. Signature owns and operates forty-four FBOs in the United States, including operations at MCO Airport. In addition, Signature provides services for commercial airlines and airport authorities, including into-plane fueling, fuel farm maintenance and operation, and other ground services.

7. Ranger is a Delaware corporation with its principal place of business in Greenville, South Carolina. ASIG is a wholly owned, indirect subsidiary of Ranger. ASIG, a Delaware corporation headquartered in Dania, Florida, owns and operates three FBOs in the United States and the Bahamas, including operations at MCO Airport. ASIG also provides services for commercial airlines and airport authorities, including into-plane fueling, fuel farm maintenance and operation, and other ground services.

8. Signature proposes to acquire the stock and assets of Ranger for approximately \$137 million.

**IV**

*Trade and Commerce*

The Relevant Market

9. FBO services include the sale of jet aviation fuel ("Jet A fuel") and aviation gasoline ("avgas"), as well as related support services, to general aviation customers. FBOs typically do not charge separately for many services, such as use of customer and pilot lounges, baggage handling, and flight planning support. Rather, they recover the costs of these services in the price that they charge for fuel. There are other services for which FBOs charge separately, including 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 other services.

10. The largest source of revenue for an FBO is its fuel revenues. FBOs sell Jet A fuel for jet aircraft, turboprops and helicopters, and avgas for smaller, piston operated planes. At MCO Airport, Signature and ASIG sold approximately 2.64 million gallons, or \$5.4 million, of fuel in the year ending December 1999. Signature and ASIG obtained additional revenues of approximately \$524,000 at MCO Airport for other FBO-related services.

11. The provision of FBO services to general aviation customers at MCO 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 an 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 MCO Airport.

12. FBOs at other airports would not provide economically practical alternatives for general aviation customers who currently use MCO Airport. Although there are other airports in the same region as MCO Airport, those other airports are not economically viable substitutes for general aviation customers flying into MCO Airport. The location, convenience, and facilities of MCO Airport draws customers. General aviation customers have chosen MCO Airport because of its proximity to the Orlando metropolitan area and other destinations, and because of the size and quality of its facilities; using a different airport would significantly increase their driving time and

inconvenience. There are not enough general aviation customers who have selected MCO Airport as their airport and who would switch to another airport to prevent anticompetitive price increases for fuel and other services at MCO Airport.

#### Competition and Entry

13. The market for FBO services at MCO Airport is highly concentrated, with only two providers—Signature and ASIG. If Signature acquires the ASIG FBO facility, it will have a monopoly for the market for FBO services at MCO Airport.

14. Signature's acquisition of the ASIG FBO at MCO Airport would eliminate competition in the market for the provision of FBO services to general aviation customers at MCO Airport. The existing competition between Signature's and ASIG's FBOs limits the ability of each to raise prices for fuel and other FBO services. The proposed acquisition would eliminate the constraint each imposes upon the other.

15. The prospect of new entry will not prevent a post merger price increase or service decrease at MCO Airport. There are significant sunk costs involved in building an FBO at MCO Airport. The airport authority has established minimum requirements for an FBO, including 20,000 square feet of hanger storage, a five acre lease, and other minimum operating requirements, and the permitting process at MCO Airport can take up to a year before construction begins. Entry that is timely and sufficient to prevent a post merger price increase or service decrease is unlikely because of these factors.

#### V

##### *Violation Alleged*

16. Unless restrained, Signature's proposed acquisition of ASIG's FBO at MCO Airport is likely to substantially lessen competition and restrain trade unreasonably in the market for FBO services at MCO Airport in violation of Section 7 of the Clayton Act, in the following ways:

a. Actual competition between Signature and ASIG in the market for FBO services at MCO Airport will be eliminated;

b. Concentration in the market for FBO services at MCO Airport will increase significantly, creating a monopoly at MCO Airport;

c. Competition generally in the market for FBO services at MCO Airport will be substantially lessened; and

d. Prices for fuel and other FBO services sold to general aviation customers at MCO Airport will increase and quality of service will decrease.

#### VI

##### *Request for Relief*

The United States requests: (a) Adjudication that Signature's proposed acquisition of ASIG's FBO at MCO Airport would violate Section 7 of the Clayton Act; (b) preliminary and permanent injunctive relief preventing the consummation of the proposed acquisition; (c) an award to the United States of the costs of this action; and (d) such other relief as is proper.

Dated this 20th day of June, 2001.

John M. Nannes,

*Acting Assistant Attorney General.*

Constance K. Robinson,

*Director of Operational and Director of*

*Merger Enforcement.*

Roger W. Fones,

*Chief.*

Donna N. Kooperstein,

*Asst. Chief.*

Salvatore Massa,

*Wisconsin Bar No. 1029907,*

Douglas Rathbun,

*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.*

##### Certificate of Mailing

I, Salvatore Massa, hereby certify that, on June 20, 2001, I caused the foregoing document to be mailed on defendants Signature Flight Support Corporation, Ranger Aerospace Corporation and Aircraft Service International Group, Inc., by having a copy mailed, first-class, postage prepaid, to: William R. Norfolk, Sullivan & Cromwell, 125 Broad Street, New York, NY 10004 James H. Mutchnik, Kirkland & Ellis, 200 East Randolph Dr., Chicago, IL 60601 Salvatore Massa

##### **Civil Action No.: 01 1365**

##### **(Proposed)**

##### *Final Judgment*

*Whereas*, plaintiff, the United States of America ("United States"), filed its complaint in this action on June 20, 2001, and plaintiff and defendants, Signature Flight Support Corporation ("Signature") and Ranger Aerospace Corporation ("Ranger"), by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or admission by any party regarding any issue of law or fact:

*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 rights or assets by the defendants to assure that

competition is not substantially lessened;

*And Whereas*, plaintiff requires defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

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

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

#### 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. "Acquirer" means the entity to whom defendants divest the Assets to be Divested.

B. "Signature" means defendant Signature Flight Support Corporation, a Delaware corporation with a principal place of business in Orlando, Florida, its successors and assigns, and its parents, subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

C. "Ranger" means Ranger Aerospace Corporation, a Delaware corporation headquartered in Greenville, South Carolina, its successors and assigns, and its parents, subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees. One of Ranger's wholly owned subsidiaries, Aircraft Service International Group, Inc. ("ASIG"), a Delaware corporation headquartered in Dania, Florida, operates the Assets to be Divested, as defined in Section II(G).

D. "MCO Airport" means Orlando International Airport, located in the Orlando, Florida metropolitan area.

E. "FBO Services" means any or all services related to providing fixed based operator services to general aviation customers at MCO Airport, 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, but does not include assets related to the commercial jet fueling business at MCO Airport of any of the defendants.

F. "FBO Facility" means any and all tangible and intangible assets that comprise the business of providing FBO Services, including, but not limited to, all personal property, inventory, office furniture, materials, supplies, terminal space, hangars, ramps, general aviation fuel tank farms for jet aviation fuel and aviation gas, and related fueling and maintenance equipment, and other tangible property and all assets used exclusively in connection with the business of providing FBO Services; all licenses, permits, and authorizations issued by any governmental organization relating to the business of providing FBO Services subject to licensor's approval of consent; all contracts, teaming arrangements, agreements, leases, commitments, certifications, and understandings relating to the business of providing FBO Services, including supply agreements; all customer lists, contracts, accounts, and credit records; all repair and performance records and all other records relating to the business of providing FBO Services; all intangible assets used in the development, production, servicing, and sale of FBO Services, including, but not limited to, all licenses and sublicenses, technical information, computer software and related documentation, know-how, drawings, blueprints, designs, design protocols, specifications for materials, specifications for parts and devices, and safety procedures for the handling of materials and substances.

G. The "Assets to be Divested" means all rights, titles and interests, including all fee, leasehold and real property rights, in the existing FBO Facility that Signature will acquire from ASIG at MCO Airport.

### III

#### *Applicability*

A. This Final Judgment applies to Signature, Ranger and ASIG, as defined above, and all other persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

B. Defendants shall require, as a condition of the sale or other disposition of all or substantially all of their assets or of lesser business units

that include the Assets to be Divested, that the purchaser agrees to be bound by the provisions of this Final Judgment, provided, however, that defendants need not obtain such an agreement from the Acquirer.

### IV

#### *Divestiture of the Assets*

A. Defendants are ordered and directed, within one hundred twenty (120) 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 Assets to be Divested in a manner consistent with this Final Judgment to an Acquirer acceptable to the United States in its sole discretion. The United States, in its sole discretion, may agree to an extension of this time period of up to two thirty (30) day periods, not to exceed sixty (60) calendar days in total, and shall notify the Court in such circumstances. If pending state or local regulatory approval is the only remaining matter precluding a divestiture after the 120-day period, the United States will not withhold its agreement to an extension of the period. Defendants agree to use their best efforts to divest the Assets to be Divested as expeditiously as possible.

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

C. Defendants shall provide the Acquirer and the United States information relating to the personnel involved in the operation, management, and sale of the Assets to be Divested to enable the Acquirer to make offers of employment. Defendants will not interfere with any negotiations by the Acquirer to employ any defendant employee whose primary responsibility

is the operation, management, and sale of the Assets to be Divested.

D. Defendants shall permit prospective Acquirers of the Assets to be Divested to have reasonable access to personnel and to make such inspection of the physical facilities 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.

E. Defendants shall warrant to the Acquirer of the Assets to be Divested that each asset will be operational on the date of sale.

F. Defendants shall not take any action that will impede in any way the permitting, operation, or divestiture of the Assets to be Divested.

G. Defendants shall warrant to the Acquirer of the Assets to be Divested that there are no material defects in the environmental, zoning, or other permits pertaining to the operation of each asset, and that following the sale of the Assets to be Divested, defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning, or other permits relating to the operation of the Assets to be Divested.

H. Unless the United States otherwise consents in writing, the divestiture pursuant to Section IV, or by a trustee appointed pursuant to Section V, of this Final Judgment, shall include the entire Assets to be Divested and shall be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Assets to be Divested can and will be used by the Acquirer as part of a viable, on going business engaged in providing FBO Services at MCO Airport. The divestiture, whether pursuant to Section IV or Section V of this Final Judgment: (1) Shall be made to an Acquirer that in the United State's sole judgment has the capability and intent (including the necessary managerial, operational, technical, and financial capability) of competing effectively in the provision of FBO Services at MCO Airport; and (2) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer and defendants gives defendants the ability unreasonably to raise the Acquirer's costs, to lower the Acquirer's efficiency, or otherwise to interfere in the ability of the Acquirer to compete effectively.

### V

#### *Appointment of Trustee*

A. If defendants have not divested the Assets to be Divested within the time

period specified in Section IV(A) of this Final Judgment, defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a trustee selected by the United States and approved by the Court to effect the divestiture of the Assets to be Divested.

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

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

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

E. Defendants shall use their best efforts to assist the trustee in accomplishing the required divestiture. 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 defendants shall develop financial or

other information relevant to the Assets to be Divested as the trustee may reasonably request, subject to reasonable protection for trade secrets or other confidential research, development, or commercial information. Defendants shall take no action to interfere with or to impede the trustee's accomplishment of the divestiture.

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

G. If the trustee has not accomplished the divestiture within six (6) months after its appointment, the trustee shall file promptly with the Court a report setting forth: (1) The trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished, and (3) the trustee's recommendations. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such report to the United States, who shall have the right to make additional recommendations consistent with the purpose of the trust. The Court shall thereafter enter such orders as it shall deem appropriate to carry out the purpose of the Final Judgment, which may, if necessary, include extending the trust and the term of the trustee's appointment for a period requested by the United States.

## VI

### *Notice of Proposed Divestiture*

A. Within two (2) business days following execution of a definitive divestiture agreement, defendants or a trustee, whichever is then responsible for effecting the divestiture required herein, shall notify the United States of any proposed divestiture required by Section IV or V of this Final Judgment. If a trustee is responsible, the trustee

shall similarly notify defendants. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered, or expressed an interest in or a desire to acquire any ownership interest in the Assets to be Divested together with full details of same.

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

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

## VII

### *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 under Section IV or Section V, defendants shall deliver to the United States an affidavit as to the fact and manner of compliance with Section IV or Section V of this Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was

contacted or made an inquiry about acquiring, any interest in the 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 defendants have taken to solicit buyers for the Assets to be Divested and to provide required information to prospective purchasers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by the defendants, including limitation on information, shall be made within fourteen (14) days of receipt of such affidavit.

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

C. Defendants shall keep all records of all efforts made to preserve and divest the Assets to be Divested until one year after the divestiture has been completed.

### VIII

#### *Hold Separate Order*

Until the divestiture required by this Final Judgment has been accomplished, defendants shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestiture order by this Court.

### IX

#### *Financing*

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

### X

#### *Compliance Inspection*

A. For the purpose of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons

retained by the United States, shall upon written request of a duly authorized representatives of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants be permitted:

1. Access during defendants' office hours to inspect and copy, or at defendants' option, to require defendants to provide copies of, all books, ledgers, accounts, records, and documents in the possession, custody, or control of defendants relating to any matters contained in the Final Judgment; and

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

B. Upon the written request of a duly authorized representative of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit written reports, under oath if requested, relating to any of the matters contained in this Final Judgment.

C. No information nor any documents obtained by the means provided in this Section shall be divulged by 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 the Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to the United States, defendants represent and identify in writing the material in any such information or documents for which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then the United States shall give defendants ten (10) calendar days prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

### XI

#### *No Reacquisition*

Defendants may not reacquire any part of the Assets to be Divested during the term of this Final Judgment.

### XII

#### *Retention of Jurisdiction*

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

### XIII

#### *Expiration of Final Judgment*

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

### XIV

#### *Public Interest Determination*

Entry of this Final Judgment is in the public interest.

Dated \_\_\_\_\_

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

United States District Judge

#### *Certificate of Mailing*

I, Salvatore Massa, hereby certify that, on June 20, 2001, I caused the foregoing document to be mailed on defendants Signature Flight Support Corporation, Ranger Aerospace Corporation and Aircraft Service International Group, Inc., by having a copy mailed, first class, postage prepaid, to:

William R. Norfolk, Sullivan & Cromwell, 125 Broad Street, New York, NY 10004

James H. Mutchnik, Kirkland & Ellis, 200 East Randolph Dr., Chicago, IL 60601

Salvatore Massa

#### **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 June 20, 2001, the United States filed a Complaint alleging that the proposed acquisition by Signature Flight Support Corporation ("Signature") of Ranger Aerospace Corporation ("Ranger"), and its wholly owned subsidiary, Aircraft Service International Group, Inc. ("ASIG"), would violate Section 7 of the Clayton Act, 15 U.S.C. 18.

The Complaint alleges that Signature and ASIG own and operate fixed base operator ("FBO") businesses at various airports around the country. ASIG owns and operates three FBOs, including an FBO at Orlando International Airport ("MCO Airport"). The Complaint alleges that Signature and ASIG are the only two providers of FBO services for general aviation customers at MCO Airport, located in Orlando, Florida. The Complaint further alleges that the proposed acquisition will create a monopoly for Signature at this airport, giving it the ability 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 MCO 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 Ranger or ASIG 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 Ranger, but requires a divestiture of one of the existing FBOs in order to preserve competition for general aviation customers at MCO Airport. This settlement consists of a Hold Separate Stipulation and Order ("Hold Separate Order"), and a proposed Final Judgment. The proposed Final Judgment orders defendants to sell the existing ASIG FBO assets at MCO Airport to a purchaser who has the capability to compete effectively in the provision of FBO services to general aviation customers at that airport. Defendants must complete the divestiture of ASIG's FBO operation at MCO Airport before the later on one hundred twenty (120) calendar days after filing the Complaint, or five (5) days after entry of the Final Judgment, in accordance with the procedures specified in the proposed Final Judgment. If defendants should fail to accomplish the divestiture, a trustee appointed by the Court would be empowered to divest these assets.

The Hold Separate Order and the proposed Final Judgment also impose a hold separate agreement that requires defendants to ensure that, until the divestiture mandated by the Final Judgment has been accomplished, the ASIG FBO operation at MCO Airport will be held separate and apart from, and operated independently of, defendant Signature's other FBO assets and businesses.

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

By an agreement dated November 14, 2000, Signature plans to acquire all the voting securities of Ranger for approximately \$137 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-four FBOs through the United States, including facilities at MCO Airport. Signature also provides services for commercial airlines and airport authorities, including into-plane fueling, fuel farm maintenance and operation, and other ground services.

Ranger is a Delaware corporation with its principal place of business in Greenville, South Carolina. ASIG is a wholly owned subsidiary of Ranger, which is a Delaware corporation with its principal place of business in Dania, Florida. ASIG owns and operates three FBOs, including one at MCO Airport. ASIG also provides services for commercial airlines and airport authorities, including into-plane fueling, fuel farm maintenance and operation, and other ground services.

#### 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 aviation fuel for jet aircraft, turboprops and helicopters, and aviation gasoline 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 cost 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 MCO 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 MCO 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 MCO Airport.

The Complaint also alleges that FBOs at other airports would not provide economically practical alternatives for general aviation customers who currently use MCO Airport. Although there are other airports in the same region as MCO Airport, those airports are not economically viable substitutes for passengers flying into MCO Airport. General aviation customers use MCO Airport because of the airport's location, convenience and facilities. General aviation customers have selected this airport in part because of its 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 MCO Airport as their airport who would switch to other airports to prevent anticompetitive price increases for fuel and other services at MCO Airport.

#### C. Competition Between Signature and ASIG at MCO Airport

Signature and ASIG are direct competitors in the provision of FBO services to general aviation customers at MCO Airport. As the only two FBOs at MCO Airport, Signature and ASIG compete on price and quality of service. General aviation customers have benefited from competition between Signature and ASIG at MCO 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 MCO Airport.

The prospect of new entry is not likely to check Signature's resulting ability to raise prices or reduce service. There are significant sunk costs involved in building an FBO, including the cost of building hangar and ramp facilities. The MCO Airport authority has established minimum requirements for an FBO, including 20,000 square feet of hangar storage, a five-acre lease and other minimum operating requirements. Furthermore, the permitting process to erect a new facility can consume as much as one year before construction begins. Therefore, entry that is timely and sufficient to prevent a post merger price increase or service decrease is unlikely.

#### D. Anticompetitive Consequences of the Acquisition

The Complaint alleges that Signature's acquisition of ASIG would result in an FBO monopoly at MCO Airport. The Complaint further alleges that the acquisition of Ranger by Signature would substantially lessen competition and restrain trade unreasonably. The transaction would eliminate actual competition between Signature and ASIG in the market for FBO services at MCO Airport, resulting in an increase in prices and a decline in quality of service for fuel and other FBO services.

### III

#### *Explanation of the Proposed Final Judgment*

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

The risk to competition posed by this acquisition at MCO Airport, however, would be eliminated if certain assets, leases, and agreements currently held by ASIG to operate its MCO Airport FBO business 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 IV of the proposed Final Judgment requires defendants, within one hundred twenty (120) 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 the ASIG FBO business at MCO Airport, as set out in Section II(G) of the proposed Final Judgment. Unless the United States otherwise consents in writing, defendants are required to divest the existing ASIG FBO business at MCO 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 MCO Airport.

Defendants shall divest such equipment and supplies as is necessary and appropriate to operate a viable FBO at MCO Airport. Defendants shall transfer ASIG's existing contracts, including customer contracts, and customer lists, for providing FBO services at MCO Airport. Together with the equipment, supplies and customer contracts and lists, these assets will give the qualified purchaser the means to establish itself as a competitive alternative to Signature. Thus, as a result of the divestiture required by the proposed Final Judgment, general aviation consumers at MCO Airport will continue to have a choice between two competitive FBOs.

Under the proposed Final Judgment, defendants must take all reasonable steps necessary to accomplish the divestiture quickly and shall cooperate with prospective purchasers by supplying all information relevant to the proposed sales. Should defendants fail to complete the divestiture within the required time period, the Court will appoint, pursuant to Section V, a trustee to accomplish the divestiture. Pursuant to Section IV(A), 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 defendants 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 divestiture as quickly as possible.

Section VI of the proposed Final Judgment would assure the United States an opportunity to review any proposed sale, whether by defendants 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 defendants, the 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.

Pursuant to Section V(G), should the trustee not accomplish the divestiture 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 VIII of the proposed Final Judgment, defendants must take certain steps to ensure that, until the required divestiture has been completed, the Assets to be Divested will be maintained as a separate, ongoing, viable FBO business at MCO Airport and kept distinct from Signature's other FBO operations. Until such divestiture, Signature must also continue to maintain and operate the divestiture assets as a viable, independent competitor at MCO Airport, using all reasonable efforts to maintain sales of FBO services to general aviation customers at MCO Airport. Signature must maintain the FBO business at MCO Airport so that it continues to be stable, including maintaining all records, loans, and personnel necessary for their operations.

Section X requires defendants to make viable, upon request, the business records and the personnel of its business. This provision allows the United States to inspect defendant's facilities and ensure that defendants are complying with the requirements of the proposed Final Judgment. Section XI specifically bars defendants from reacquiring the Assets to be Divested during the term of the Final Judgment. Section XII of the proposed Final Judgment provides that it will expire on the tenth anniversary and 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 suite 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, NW., Suite 500, Washington, DC 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, Ranger and ASIG. The United States is satisfied, however, that the divestiture of the assets and other relief contained in the proposed Final Judgment will preserve viable competition in the provision of FBO services to general aviation customers at MCO Airport. 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 expanded proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process."<sup>1</sup> 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 explanation of the government in the competitive impact

<sup>1</sup> 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.

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 interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is "within the reaches of the public interest." More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.<sup>2</sup>

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 practice or whether it 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.'"<sup>3</sup>

## VIII

### *Determinative Materials and Documents*

There are no materials or documents that the United States considered to be

<sup>2</sup> *United States v. Bechtel*, 648 F.2d 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).

<sup>3</sup> *United States v. American Tel. and Tel. Co.*, Supp. 131, 150 (D.D.C. 1982) (citations omitted), *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).

determinative in formulating this proposed Final Judgment. Accordingly, none are being filed with this Competitive Impact Statement.

Dated: June 20, 2001.

Respectfully submitted,  
Salvatore Massa,  
*Wisconsin Bar No. 1029907*  
Douglas Rathbun,  
*Trial Attorneys, U.S. Department of Justice,*  
*Antitrust Division, Transportation, Energy*  
*and Agriculture Section, Suite 500, 325*  
*Seventh Street, NW., Washington, DC*  
*20530, (202) 307-6351*

#### Certificate of Mailing

I, Salvatore Massa, hereby certify that, on June 20, 2001, I caused the foregoing document to be mailed on defendants Signature Flight Support Corporation, Ranger Aerospace Corporation and Aircraft Service International Group, Inc., by having a copy mailed, first-class, postage prepaid, to:

William R. Norfolk, Sullivan & Cromwell, 125 Broad Street, New York, NY 10004

James H. Mutchnik, Kirkland & Ellis, 200 East Randolph Dr., Chicago, IL 60601

Salvatore Massa

[FR Doc. 01-17479 Filed 7-11-01; 8:45 am]

BILLING CODE 4410-11-M

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Pursuant to the National Cooperative Research and Production Act of 1993—Petroleum Environmental Research Forum (“PERF”) Project No. 2000-03

Notice is hereby given that, on June 18, 2001, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Petroleum Environmental Research Forum (“PERF”) Project No. 2000-3 has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Amoco Oil Company, Naperville, IL; Equilon Enterprises LLC, Houston, TX; and Phillips Petroleum Company, Sweeny, TX. The nature and objectives of the venture are to establish a joint effort to test next-generation

process heater burners with NO<sub>x</sub> emissions in the 5–10 ppm range in a refinery process heater and to assist in the acceleration of burner vendors’ commercial development of these burners by observing flame interaction, heat flux, tramp air, and other effects on NO<sub>x</sub> emissions. The activities to be carried out include the collection, exchange, and analysis of commercial unit data, and development of correlations or other predictive methods based on available or readily measurable variables.

Participation in this project will remain open until the termination of the Agreement for PERF Project No. 2000-03, and the participants intend to file additional written notification disclosing all changes in membership of the project. Information regarding participation in this project may be obtained by contacting Dr. Colin G. Grieves, Manager, Environmental Management, BP Amoco Naperville Complex, 150 W. Warrenville Road, Mail Code H-7, Naperville, IL 60563-8469.

**Constance K. Robinson,**

*Director of Operations, Antitrust Division.*

[FR Doc. 01-17477 Filed 7-11-01; 8:45 am]

BILLING CODE 4410-15-M

## NUCLEAR REGULATORY COMMISSION

[Docket No. 71-0122 Approval No. 0122 EA-01-164]

#### In the Matter of JL Shepherd & Associates San Fernando, California; Order Withdrawing Quality Assurance Program Approval (Effective Immediately)

### I

JL Shepherd & Associates (JLS&A or Approval Holder) is the holder of Quality Assurance (QA) Program Approval for Radioactive Material Packages No. 0122 (Approval No. 0122), issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR part 71, subpart H. The approval was issued pursuant to the QA requirements of 10 CFR 71.101. QA activities authorized by Approval No. 0122 include: design, procurement, fabrication, assembly, testing, modification, maintenance, repair, and use of transportation packages subject to the provisions of 10 CFR part 71. Approval No. 0122 was originally issued January 17, 1980. Revision No. 5 was issued January 24, 1996, with an expiration date on January 31, 2001, and is under timely renewal. In addition to

having a QA program approved by the NRC to satisfy the provisions of 10 CFR part 71, subpart H, to transport or deliver for transport licensed material in a package, JLS&A is required by 10 CFR part 71, subpart C, to have and comply with the package’s CoC issued by the NRC.

### II

On November 3–4, 1999, NRC staff conducted an inspection of the JLS&A QA activities. The extent and nature of problems identified during this limited scope inspection raised serious concerns about implementation of the JLS&A QA program and missed opportunities, over the period of several years, to self-identify and correct package deficiencies. The inspection identified multiple examples of violations of 10 CFR part 71. These violations concerned shipments of licensed material in Type B packages that were not in accordance with two CoCs. JLS&A made nineteen shipments using two different package designs that did not meet the requirements of the CoCs. The team further identified six nonconformances: specifically, these included 10 CFR 71.13(a), using a package that was fabricated after August 31, 1986; 10 CFR 71.87, failure to determine that the package with its contents satisfies the applicable requirements of part 71; 10 CFR 71.107(c), package design control, where new wood liners were constructed with a wood that did not comply with the design specifications approved by NRC; and 10 CFR 71.111, failure to prepare formal procedures or instructions to establish and maintain model 181361 or model A-0117 packaging in conformance with the CoC. Both a Notice of Violation and a Notice of Nonconformance were issued on March 2, 2000. As a result of the extent and nature of the problems identified during the November 3–4, 1999, inspection, NRC issued a Confirmatory Action Letter on April 24, 2000. As part of its December 4, 2000, response to the NRC Confirmatory Action Letter, JLS&A stated that the packaging used in the August 15, 2000, export to be shipped to Ethiopia via the United Kingdom, which contained 18,000 curies of cobalt-60, met the terms and conditions of the NRC-issued CoC No. 6280.

As a result of an April 17, 2001, letter from the French Competent Authority raising concerns about noncompliance of the August 15, 2000, transportation package undergoing multilateral approval, NRC staff conducted an inspection of the returned package at JLS&A’s facility to determine if JLS&A had delivered for export a model A-