

FEDERAL TRADE COMMISSION**[File No. 001 0208]****Tyco International, Ltd.; 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 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 November 16, 2000.

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

FOR FURTHER INFORMATION CONTACT: Richard Parker or Ann Malester, FTC/H-374, 600 Pennsylvania Ave., NW., Washington, DC 20580. (202) 326-2574 or 326-2820.

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 thirty (30) 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 October 17, 2000), on the World Wide Web, at "<http://www.ftc.gov/os/2000/09/index.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 Ave., 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 comment. 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)(5)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Agreement Containing Consent Order to Aid Public Comment

The Federal Trade Commission ("Commission") has accepted, subject to final approval, an Agreement Containing Consent Order ("Consent Agreement") from Tyco International, Ltd. ("Tyco"), which is designed to remedy the anticompetitive effects resulting from Tyco's acquisition of Mallinckrodt, Inc. Under the terms of the agreement, Tyco will be required to divest its endotracheal tube business within ten days of the date the Consent Agreement is placed on the public record to Hudson RCI, or to another Commission-approved buyer no later than six (6) months from the date Tyco signed the Consent Agreement. If the sale of Tyco's endotracheal tube business is not made within six (6) months, the Commission may appoint a trustee to divest it.

The proposed Consent Agreement has been placed on the public record for thirty (30) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the proposed Consent Agreement and the comments received, and will decide whether it should withdraw from the proposed Consent Agreement or make final the Decision & Order.

Pursuant to a July 28, 2000 Agreement and Plan of Merger, Tyco agreed to acquire Mallinckrodt in a stock-for-stock transaction valued at approximately \$4.2 billion. The Commission's Complaint alleges that the acquisition, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. 45, in the market for endotracheal tubes.

Tyco, through its Kendall Division, and Mallinckrodt are the largest providers of endotracheal tubes in the United States. Endotracheal tubes are devices that are inserted through the nose or mouth into the trachea to provide oxygen or anesthesia. Hospitals and emergency personnel use endotracheal tubes to maintain a secure airway during surgical procedures and emergency situations.

The United States endotracheal tube market is highly concentrated, and the proposed acquisition would produce a firm controlling proximately 86% of the

market. Mallinckrodt is the largest supplier of endotracheal tubes, claiming that its products are used in 70% of the surgical procedures performed in the United States each year. Tyco is the next largest supplier. Both companies have product lines consisting of over one hundred different types of endotracheal tubes and related accessories, and have long track records of customer acceptance. As the two largest suppliers in the market, Tyco and Mallinckrodt frequently bid against each other for important hospital group purchasing organization contracts. Tyco and Mallinckrodt are the only two firms that have won contracts to supply members of the largest and most important group purchasing organizations. By eliminating competition between the two most significant competitors in this highly concentrated market, the proposed acquisition would allow the combined Tyco/Mallinckrodt to exercise market power unilaterally, thereby increasing the likelihood that purchasers of endotracheal tubes would be forced to pay higher prices and that innovation and service levels in the market would decrease.

Substantial barriers to new entry exist in the endotracheal tube market. Effective new entry would require the development of a full line of endotracheal tube products, obtaining approvals from the Food and Drug Administration, procurement of several million dollars' worth of specialized manufacturing equipment, and the establishment of a sales and marketing force. Entry is further hampered by the fact that endotracheal tubes are critically important to customers, though relatively inexpensive, so customers would be reluctant to consider new, unproven products even in the face of higher prices. In light of the fact that the endotracheal tube market is relatively small compared to the costs that a new entrant would have to incur, new entry is not likely to occur. Additionally, new entry into the endotracheal tube market is made more unlikely because of long-term hospital group purchasing organization contracts that may reduce the amount of sales opportunities available to new entrants. Because of the difficulty of accomplishing these tasks, new entry into the United States endotracheal tube market is unlikely to deter or counteract the anticompetitive effects resulting from the transaction.

The Consent Agreement effectively remedies the acquisition's anticompetitive effects in the United States endotracheal tube market by requiring Tyco to divest its Sheridan line of endotracheal tube products.

Pursuant to the Consent Agreement, Tyco is required to divest the Sheridan Line to Hudson RCI within ten days of the date the Commission places the Order on the public record. If the divestiture to Hudson RCI is not accomplished, Tyco must divest the Sheridan Line to a Commission-approved acquirer within six months. Should Tyco fail to do so, the Commission may appoint a trustee to divest the business.

The Consent Agreement includes a number of provisions that are designed to ensure that the transition of Tyco's endotracheal tube business to the acquirer is successful. The Consent Agreement requires Tyco to provide incentives to certain key employees to accept employment, and remain employed, by the acquirer. Tyco employees who had been involved with selling the Sheridan endotracheal tube line are prohibited from selling the Mallinckrodt endotracheal tube products for a period of one year. Tyco is also prohibited from inducing key hospital group purchasing organizations from terminating their contracts with the acquirer for a period of two years. Finally, Tyco employees involved with the endotracheal tube business are prohibited from disclosing any confidential information to employees involved with the Mallinckrodt line.

In order to ensure that the Commission remains informed about the status of the Tyco endotracheal tube business pending divestiture, and about efforts being made to accomplish the divestiture, the Consent Agreement requires Tyco to report to the Commission within 30 days, and every thirty days thereafter until the divestiture is accomplished. In addition, Tyco is required to report to the Commission every 60 days regarding its obligations to provide transitional services and facilities management.

The purpose of this analysis is to facilitate public comment on the Consent Agreement, and it is not intended to constitute an official interpretation of the Consent Agreement or to modify in any way its terms.

By direction of the Commission.

Benjamin I. Berman,
Acting Secretary.

[FR Doc. 00-27159 Filed 10-20-00; 8:45 am]

BILLING CODE 6750-01-M

GENERAL SERVICES ADMINISTRATION

President's Commission on the Celebration of Women in American History

AGENCY: General Services Administration.

ACTION: Meeting notice.

SUMMARY: Notice is hereby given that the President's Commission on the Celebration of Women in American History will hold an open meeting from 1:00 p.m. to 4:30 p.m. on Wednesday, November 15, 2000, at the George Washington University, Marvin Center Room 403.

PURPOSE: To discuss the Commission's final report and how to elaborate its message to the President.

FOR FURTHER INFORMATION CONTACT: Martha Davis (202) 501-0705, Assistant to the Associate Administrator for Communications, General Services Administration. Also, inquiries may be sent to martha.davis@gsa.gov.

Dated: October 17, 2000.

Beth Newburger,
Associate Administrator for Communications.
[FR Doc. 00-27173 Filed 10-20-00; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Agency Information Collection Activities: Submission for OMB Review; Comment Request

The Department of Health and Human Services, Office of the Secretary publishes a list of information collections it has submitted to the Office of Management and Budget (OMB) for clearance in compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) and 5 CFR 1320.5. The following are those information collections recently submitted to OMB.

1. Voluntary Industry Partner Surveys to Implement Executive Order 12862—Extension—0990-0220—The Department of Health and Human Services plans to conduct surveys of its contractors in each agency to obtain feedback for improving the Department's procurement process.

Respondents: Contractors of the Department;

Number of Respondent: 2400;

Average Burden per Response: 12 minutes.

Total Annual Burden: 480 hours.

OMB Desk Officer: Allison Eydt.

Copies of the information collection packages listed above can be obtained by calling the OS Reports Clearance Officer on (202) 690-6207. Written comments and recommendations for the proposed information collection should be sent directly to the OMB desk officer designated above at the following address: Human Resources and Housing Branch, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW., Washington, DC 20503.

Comments may also be sent to Cynthia Agens Bauer, OS Reports Clearance Officer, Room 503H, Humphrey Building, 200 Independence Avenue SW., Washington, DC, 20201. Written comments should be received within 30 days of this notice.

Dated: October 10, 2000.

Dennis P. Williams,
Deputy Assistant Secretary, Budget.
[FR Doc. 00-27086 Filed 10-23-00; 8:45 am]

BILLING CODE 4150-24-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Healthcare Research and Quality

Meeting of the National Advisory Council for Healthcare Research and Quality

AGENCY: Agency for Healthcare Research and Quality.

ACTION: Notice of public meeting.

SUMMARY: In accordance with section 10(a) of the Federal Advisory Committee Act, this notice announces a meeting of the National Advisory Council for Healthcare Research and Quality

DATES: The meeting will be held on Friday, November 3, 2000, from 8:30 a.m. to 4:00 p.m. and is open to the public.

ADDRESSES: The meeting will be held at 6010 Executive Boulevard, Fourth Floor, Rockville, Maryland 20852.

FOR FURTHER INFORMATION CONTACT: Anne Lebbon, Coordinator of the Advisory Council, at the Agency for Healthcare Research and Quality, 2101 East Jefferson Street, Suite 600, Rockville, Maryland 20852, (301) 594-7216. For press-related information, please contact Karen Migdail at 301/594-6120.

If sign language interpretation or other reasonable accommodation for a disability is needed, please contact Linda Reeves, Assistance Administrator for Equal Opportunity, AHRQ, on (301) 594-6662 no later than November 1, 2000.