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December 13, 1999

VIA HAND DELIVERY

Honorable Joel I. Klein
Assistant Attorney General
Antitrust Division
U.S. Department of Justice
10th Street & Constitution, N.W.
Washington, D.C. 20530

Re: Business Review Request for Apparel Industry Partnership

Dear Assistant Attorney General Klein:

We are requesting, on behalf of our client, the Lawyers Committee for Human Rights, and on behalf of the Apparel Industry Partnership (the "Partnership"), a business review letter with respect to the Workplace Code of Conduct attached as Appendix A to this letter. The Workplace Code of Conduct comprises a comprehensive set of fair and responsible labor standards defining decent and humane working conditions. The members of the Partnership have developed the Workplace Code of Conduct as the foundation of their response to the request of President Clinton that they "develop options to inform consumers that the products they buy are not produced under . . . exploitative conditions."

FORMATION OF THE PARTNERSHIP

Sweatshops, factories where employees work long hours for low wages under deplorable conditions, have made a disturbing resurgence in recent years both in the United States and throughout the world. See Recent Developments in the Clothing Industry, Report of the Fourth Tripartite Technical Meeting for the Clothing Industry, International Labor Organization (1995). In response to widely publicized revelations about the resurgence of sweatshop conditions, President Clinton convened a meeting at the White House on August 2, 1996 with leaders from the U.S. apparel and footwear industries as well as from the labor, consumer, human rights and religious communities. In the President's words, "Our nation has always stood for human dignity and the fundamental rights of working people. We believe everyone should work, but no one should have to put their lives or health in jeopardy to put food on the table for their families."

President Clinton challenged the invited group of industry, labor, consumer, human rights and religious leaders "to produce tough criteria to make sure that sweat shops are not used and to make sure consumers know it." The President requested that the group work together to "develop options to inform consumers that the products they buy are not produced under . . . exploitative conditions." The full text of President Clinton's remarks in the Rose Garden immediately following that meeting is attached as Appendix B to this letter, as well as the press release issued following that meeting by the Department of Labor.

Following the August 2nd White House meeting, the industry, labor, consumer, human rights and religious participants in the White House meeting formed an informal "Apparel Industry Partnership"[1]. The members of the Partnership responded to the President's challenge by convening to develop fair and responsible labor standards for the manufacture of apparel and footwear and to consider the establishment of methods to provide consumers with reliable information abut whether products have been manufactured in compliance with such standards.[2] A list of Partnership members is attached as Appendix C to this letter. As noted on Appendix C, quite recently additional apparel and footware companies and over 100 universities have become affiliated with the efforts of the Apparel Industry Partnership, and last year, certain labor organizations terminated their participation in the Partnership.

The original Partnership consisted of representatives from a broad cross-section of apparel and footwear companies along with labor, consumer, human rights and religious organizations. With the exception of Reebok International Ltd. ("Reebok") and NIKE, Inc. ("NIKE") in the athletic footwear business, the participants in the Partnership hold relatively minor shares in the multibillion dollar U.S. apparel industry. It is noteworthy

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[1] "Apparel Industry Partnership" is the name that was given to the group by the White House. However, notwithstanding the use of the term "partnership", the group is not legally organized as a general or limited partnership, nor is it intended that the existence of the group will result in the creation of a partnership relationship between or among its participants.

[2] The October 31, 1996 business review letter noted (at page 2) "the Department's understanding that the Partnership's objective is to articulate a set of standards relating to decent and humane working conditions. Companies that chose to adopt the standards will be able to inform consumers that their products are produced in compliance with them."

that the composition of the original Partnership primarily reflected those companies and organizations that were invited to attend the August White House meeting and was not the result of any industry self-selection.[3] Moreover, the prominent role played by labor rights, consumer, human rights and religious groups in the Partnership makes it unlikely in the extreme that the Partnership could be regarded as a forum for a potentially anticompetitive exchange of information.

DELIBERATIONS OF THE PARTNERSHIP

Since the August 1996 White House meeting, the Partnership has met a number of times in a variety of locations, both in full sessions and smaller working groups. Throughout the Partnership's deliberations, the focus of discussions has been on formulating a set of principles that any member of the apparel and footwear industries as a whole -- indeed, of any labor-utilizing industry -- could adopt. There has been no need for discussion of costs, prices, wage scales or other competitively sensitive information pertaining to a particular line of business. Thus, no company participant in the Partnership has sought, or disclosed, competitively sensitive nonpublic information nor has any company participant disclosed data from which such information might be derived.

Counsel for one or more participating Partnership members has attended all Partnership meetings. In addition, as requested by the Department of Justice in its business review letter issued on October 31, 1996 with respect to the Partnership's deliberations, counsel well-versed in antitrust law has been present at all Partnership meetings, including those of working groups, and other substantive discussions involving direct competitors. Such counsel has had among his or her duties to ensure that the group's discussions were limited to the topics described in this letter and did not include any discussion of competitively sensitive nonpublic information. Moreover, direct competitors, such as NIKE and Reebok, have not been placed together in small working groups where communications have been more detailed.

Clear guidelines have been promulgated as to the permissible scope of the Partnership's work. A written agenda has been circulated to Partnership members in

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[3] The Department of Labor, which was instrumental in drawing up the invitation list for the White House meeting, has informed us that the list was intended to reflect a representative sample of interests from the apparel and footwear industries and from the labor, consumer, human rights and religious communities.

advance of each Partnership meeting, and written minutes of Partnership meetings relating to the standards development process have typically been circulated to members of the Partnership.

THE WORKPLACE CODE OF CONDUCT

The Workplace Code of Conduct (the "Workplace Code") developed by the Partnership articulates a comprehensive set of fair and responsible labor standards defining decent and humane working conditions. The Partnership announced the creation of the Workplace Code to the President and the public at a meeting at the White House on April 14, 1997.

The Workplace Code addresses numerous practices that are viewed by the Partnership as resulting in the creation and operation of sweatshops:

- Forced Labor
- Child Labor
- Harassment or Abuse
- Discrimination
- Lack of Adequate Health and Safety Precautions
- Denial of the Right to Freedom of Association and Collective Bargaining
- Low Wages and Benefits
- Long Hours of Work
- Little or No Overtime Compensation.

The Workplace Code represents the product of many hours of debate and discussion within the Partnership. The final product is by no means a set of standards that was developed by, and at the initiative of, industry – but rather a set of standards that reflects the broad diversity of the industry, labor, consumer, human rights and religious members of the Partnership. Indeed, discussions on the Workplace Code consisted of often intense negotiations between, on the one hand, the labor, consumer, human rights and religious members of the Partnership and, on the other hand, the industry members of the Partnership as to how the Workplace Code could best reflect norms of international human and labor rights law regarding fundamental rights of working people and at the same time be a set of standards likely to be implemented by companies in the apparel and footwear industries.

Subject to a favorable business review letter pertaining to the Workplace Code,[4] each company participating in the Partnership as well as other firms would decide individually and on a voluntary basis whether or not to adopt the Workplace Code with respect to some or all of its products and to submit their factories to independent external monitoring with respect to compliance with the Code.

While the Partnership believes that the Workplace Code is fair, workable and in the public interest, U.S. companies in the apparel and footwear industries will unilaterally determine whether to utilize the Workplace Code in the production of some or all of their products. Failure to utilize to the Workplace Code will mean only that the particular firm may not claim that some or all of its products are produced in compliance with the labor standards set forth in the Workplace Code.

The provisions of the Workplace Code are intended to apply to workplace practices both in the United States and throughout the world. In connection with workplace practices in the United States, with two exceptions, the provisions of the Workplace Code refer to obligations already existing under federal or state labor law. The two exceptions are: the provision on wages, which provides that, in order for a product to be produced in compliance with the Workplace Code, a company shall pay its employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher; and the provision on hours, which provides that, in order for a product to be produced in compliance with the Workplace Code, except in extraordinary business circumstances, a company shall not require its employees to work more than a specified maximum amount of regular and overtime hours.

The Workplace Code refers to payment of the higher of the prevailing industry wage or the legally mandated minimum wage because the minimum wage in some nations may not be a meaningful threshold to address employees' basic needs. There is evidence, for example, that the minimum wage set by some developing countries may be below subsistence levels. For example, the Department of Labor has estimated that, in Brazil, the minimum wage is approximately $42.15 per month, yet the poverty line for a family of

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[4] The Partnership's request for a business review letter dated October 29, 1996 as to the holding of discussions on the Workplace Code expressly recited (at page 7) the intention of the Partnership to seek further business review clearance from the Department about the Workplace Code and its implications.

three is approximately $90 per month (data obtained from Department of Labor publications and from the Department of State for Brazil).

In addition, there is substantial evidence that, in the United States, wages in the garment industry often fall below the legally-required minimum wage. For example, we have been advised by the Department of Labor that a 1997 compliance survey conducted by the Department found that 63% of New York City garment shops were not in compliance with minimum wage requirements and that a similar 1996 Department survey found 61% of Los Angeles garment shops were not in compliance with minimum wage requirements.

Finally, it does not appear that present or potential Partnership participants will have market power in the U.S. labor market. Indeed, some of the largest firms do their manufacturing primarily abroad. Thus, even widespread utilization of the Workplace Code is unlikely to affect U.S. labor costs or have an anticompetitive effect on domestic products.

The Workplace Code's maximum limit on work hours addresses another sweatshop condition that is prevalent in the developing world -- the use of mandatory overtime which enables factories to force employees to work long hours of arbitrary duration under threat of job forfeiture. See More Sweatshop Than Job Source, Washington Post, Aug. 22, 1996. Mandatory overtime also occurs in sweatshops in the United States, which does not set legal limits on mandatory overtime but requires the payment of overtime compensation for hours worked in excess of 40 hours per week. See One Man's Fight Against Sweatshops, Christian Science Monitor, July 3, 1996. A company would be unable to claim that its products were produced in compliance with the Workplace Code if, except in extraordinary business circumstances, employees in the United States were required to work in excess of 52 hours per week, a limit which is not inconsistent with the range of limits negotiated for in collective bargaining agreements in the apparel industry.

These two provisions have been included in the Workplace Code because they address two of the most prevalent practices that characterize sweatshop conditions -- low pay and long hours. Since the Workplace Code is applicable to global workplace practices, these provisions of necessity have been drafted to reflect varying local conditions and legal requirements.

ADDITIONAL RESULTS OF PARTNERSHIP DISCUSSIONS

In addition to the Workplace Code, the Partnership has developed a set of Principles of Monitoring. In order to be able to represent to the public that some or all of

its products are manufactured in compliance with the Workplace Code, a company must not only manufacture those products, or cause those products to be manufactured, in accordance with the Workplace Code, but also must implement compliance procedures consistent with these Principles of Monitoring sufficient to ensure that claims of compliance are made only with respect to those products that are manufactured in compliance with the Workplace Code. Specifically, a company utilizing the Workplace Code must adopt an internal monitoring program consistent with the Principles of Monitoring and utilize an external monitor that agrees to conduct its monitoring consistent with these Principles.

Members of the Partnership also have been working together to form a nonprofit association (the "Fair Labor Association" or "FLA"), and on September 9, 1999, Charles Ruff, the former White House Counsel, was elected the first Chair of the Board of Directors of the Fair Labor Association. The Fair Labor Association will continue the process of developing criteria and implementing procedures for the qualification of external monitors and that will design audit and other instruments for the establishment of baseline monitoring practices by such monitors. Commenting on the creation of the FLA, the White House stated that, "The President congratulates the FLA for its new leadership and applauds the companies that have made this commitment to raising labor standards." *See* "Statement by the White House Press Secretary: Anti-Sweatshop Fair Labor Association Names Charles Ruff As Chair," September 9, 1999, available online at < http://library.whitehouse.gov/PressReleases.cgi?date=1&briefing=3>. As the White House has recognized, "the FLA promises to be one serious, viable mechanism to address our shared goals of raising labor standards in workplaces around the world and providing accountability to American consumers." *Id.* The monitoring proposals are detailed in Appendix D to this letter, which contains the Charter, Articles and Bylaws of the Fair Labor Association.

OBJECTIVES OF THE PARTNERSHIP

The original objectives of the Partnership, as stated in the Partnership's first business review request to the Department of Justice on October 29, 1996,[5] were: (i) to articulate a common set of standards defining decent and humane working conditions and

[5] This request related to the Department's antitrust enforcement intentions with respect to the conduct of the Partnership's deliberations. On October 31, 1996, the Department responded with a favorable business review letter.

(ii) to recommend monitoring mechanisms to verify compliance with such standards and consumer education methods to inform consumers when apparel and footwear products offered for sale are produced in accordance with such standards. The Partnership believes that its proposals, including the Workplace Code, are likely to achieve full compliance with these objectives. If this is correct, then companies that choose to produce apparel and footwear in compliance with the Workplace Code and utilize the Principles of Monitoring will be able to communicate to consumers, on an objective and verifiable basis, whether and to what extent their products are produced in accordance with the labor standards enumerated in the Workplace Code.

A plethora of studies have found that American consumers are concerned about the use of sweatshop conditions in the manufacture of apparel. For example, a U.S. News and World Report poll showed that 6 in 10 Americans are concerned about working conditions under which products are made in the United States and more than 9 in 10 Americans are concerned about working conditions under which products are made in Asia and Latin America, but that few consumers possess enough information to be able to make informed buying decisions. See Santa's Sweatshop, U.S. News and World Report, Dec. 16, 1996. These studies demonstrate that, in making purchasing decisions, consumers seek greater information about the working conditions under which products are produced. (A representative sample of such studies is attached hereto as Appendix E.)

The proposals of the Partnership seek to respond to this concern of American consumers and to enable consumers to choose what they desire. The existence of objective and verifiable standards in the Workplace Code defining decent and humane working conditions will permit competition on the basis of respect for human rights and labor rights, as well as on price, quality and other product attributes.

It is extremely unlikely that widespread utilization of the Workplace Code would have an appreciable impact on the prices or output of apparel and footwear products sold in the United States. Although it is difficult to generalize given the variety of products that fall into the category of apparel, Department of Labor and labor union officials have estimated that labor typically accounts for less than 3% of the U.S. retail price of clothing made in domestic sweatshops and as little as 0.5% for garments sewn abroad. See Reaping Abuse for What They Sew: Sweatshops Once Again Commonplace in U.S. Garment Industry, Washington Post, Feb. 16, 1997. With respect to footwear, the Department of Labor has estimated that, in 1994, labor accounted for less than 5% of the U.S. retail price of domestically produced footwear and, in the early 1990's, between 1.6 and 3.3% of the U.S. retail price of footwear produced in Indonesia, India and Pakistan. Department of Labor, Office of the Chief Economist (calculations based on data obtained from the Department of Commerce and the International Trade Commission).

REQUEST FOR BUSINESS REVIEW

On behalf of the Partnership, we request that the Department of Justice provide the members of the Partnership with a business review letter, pursuant to 28 C.F.R. §50.6, confirming that the Department has no antitrust enforcement intentions with respect to the promulgation of the Workplace Code of Conduct or the Principles of Monitoring by the Partnership.

On April 14, 1997, the Partnership reported to the public and to President Clinton on its actions and recommendations to the apparel and footwear industries, including the development of the Workplace Code. However, this announcement was made subject to the Partnership's commitment, as stated in its October 29th business review request to the Justice Department, to seek further business review clearance regarding the Workplace Code.[6]

DISCUSSION

We have set out at some length how the Partnership came into being and how it has functioned because, in the classic articulation of rule of reason analysis found in Chicago Board of Trade v. United States, 246 U.S. 231 (1918):

> The history of the restraint, the evil believed to exist, the reason for adopting the particular remedy, the purpose or end sought to be attained, are all relevant facts. This is not because a good intention will save an otherwise objectionable regulation or the reverse; but because knowledge of intent may help . . . to interpret facts and to predict consequences.

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[6] Since April, 1997, members of the Partnership have been negotiating and drafting the provisions of a charter for the Fair Labor Association, a copy of which is attached as Appendix D. The FLA will, inter alia, accredit the independent external monitors which will verify compliance with the Workplace Code. Partnership members also have been recruiting additional apparel and footware manufacturers and universities which license their names and logos to manufacturers to join this effort.

The Workplace Code is quite different in origin and purpose from most matters that are subject to a business review request. Its impetus was not an initiative devised by competing manufacturers but rather the concerns about public policy forcefully articulated by the President and echoed by the human rights, labor, consumer and religious communities. The Workplace Code was hammered out in meetings at which industry as well as labor, consumer, human rights and religious organizations participated fully, meetings that also were attended by government officials from both the Department of Labor and the White House. Indeed, the provisions of the Workplace Code that deal with topics of the most competitive sensitivity are those which manufacturers could most easily do without and which were deemed necessary by the labor, consumer, human rights and religious organizations participating in the Partnership's discussions.

The procompetitive benefits of the proposal are straightforward. As articulated by the Antitrust Division in its October 31, 1996 business review letter, "Consumers have expressed a desire to know the conditions under which products are manufactured, and the dissemination of accurate information about these conditions could meet this marketplace demand." The Federal Trade Commission (FTC) has taken similar positions, explaining that standards such as the Workplace Code are procompetitive because they give "consumers a baseline to compare increasingly complex items." "Antitrust Implications in Standard Setting," prepared remarks of Federal Trade Commissioner Christine A. Varney before the District of Columbia Bar Annual Seminar on Antitrust and Trade Associations, Feb. 22, 1995.[7]

Consumers concerned about the conditions under which apparel and footwear products are produced will be able to use the objective information provided as a result of the Workplace Code to make informed choices about the products they purchase. The availability of objective information also will permit manufacturers of apparel and footwear to compete on the basis of workplace conditions.

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[7] See also business review letter of January 25, 1994 to the Association of Independent Television Stations, Inc. ("[G]uidelines [on content of television programming] could disseminate valuable information on program content to both advertisers and television viewers. Accurate information can enhance the demand for, and increase the output of, the industry's products. For example, viewers, including particularly parents, may react to uncertainty about the nature of violence in television programs by reducing television viewing in their homes.")

These procompetitive benefits easily outweigh any speculative concern about higher costs that could result in the event that a large number of firms were to choose to produce some or all of their products in compliance with the Workplace Code. In the first place, promulgation of the Workplace Code will not itself affect any firm's marketplace behavior. Each firm will be free to ignore the Workplace Code or implement it in the production of some or all of its products. The manufacture of products in compliance with the Workplace Code is completely voluntary.

As evidence of the voluntary nature of the Workplace Code, already two original Partnership members, Warnaco, Inc. and Karen Kane, Inc., have withdrawn from the Partnership because each company determined not to utilize the Workplace Code in the production of its products. In contrast, Duke University announced its implementation of a code of conduct applicable to its licensees of athletic apparel similar to the Workplace Code before it became a participant in the Partnership's efforts. See Duke to Adopt a Code to Prevent Apparel From Being Made in Sweatshops, New York Times, March 8, 1998.

Moreover, there is simply no reason to believe costs will increase because of compliance with Workplace Code provisions on harassment or abuse; nondiscrimination; and freedom of association and collective bargaining. One perhaps could suggest that some additional costs would be involved in complying with Workplace Code provisions on forced labor, child labor, and health and safety, but we submit that this link is tenuous at best. It likely will cost money to "provide a safe and healthy working environment," but such an environment is also likely to improve output. It is equally obvious that forced labor and child labor are not practices conducive to high productivity, and there is accordingly no reason to believe that ending these practices will increase the cost of goods.

While compliance with the provisions of the Workplace Code on wages and benefits could affect manufacturing costs, those provisions as well fit comfortably within prior Antitrust Division guidance. Given the voluntary nature of the Workplace Code, its wage provisions fall far short of the restraint that would be imposed if complying apparel and footwear companies formed a joint venture to purchase labor services. Yet under the August 19, 1996 "Statements of Antitrust Enforcement Policy in Health Care" issued by the Department of Justice and the FTC, an express agreement by manufacturers to engage in joint purchasing of labor would fall within an antitrust safety zone for joint purchasing arrangements, under Statement 7A, where:

> (1) the purchases account for less than 35 percent of the total sales of the purchased product or services in a relevant market; and (2) the cost of the products and services purchased jointly

account for less than 20 percent of the total revenues from all products or services sold by each of the competing participants in the joint purchasing arrangement.

Companies complying with the Workplace Code would meet both prongs of this "safety zone". As to the first prong, the relevant market for the "purchased" product in this case is the market for relatively unskilled labor. We have no reason to believe that the labor arrangements undertaken by companies that will choose to utilize the Workplace Code will account for 35% or more of this labor market in any pertinent U.S. geographic market or in any foreign market.

As to the second requirement, given that it is hoped that all manufacturers of apparel and footwear will utilize the Workplace Code, it is impossible to provide specific information as to what percentage of the U.S. retail price reflects the costs of labor. However, as noted above, the typical labor costs as a percentage of the selling price of apparel and footwear products are in the single digits. It is unlikely in the extreme that, in any particular case or for any particular product, this percentage would reach as high as 20%.

Nor, given the appallingly low wages paid in sweatshops, is there any reason to presume a direct link between increased wages and increased costs. A pertinent example is found in R. Pindyck and D. Rubinfeld, Microeconomics 619 (3d ed. 1995), recounting the Ford Motor Company's 1914 decision to pay its workers $5 a day when the average day's wage was between $2 and $3. As the authors report, "Improved labor efficiency (not generosity) was behind this policy." The plan worked. Productivity increased 51%, absenteeism was halved, and discharges for cause declined sharply. The "productivity increase more than offset the increase in wages" and Ford's profitability rose from $30 million in 1914 to $60 million in 1916.

Similarly, the relatively modest restrictions on maximum work hours found in the Workplace Code are not likely to lead to increased costs. The restrictions address maximum hours for regular work and mandatory overtime, not manufacturing output. It will continue to remain within the discretion of each employee as to whether he or she wishes to work, on a voluntary basis, additional hours beyond the amounts set forth in the Workplace Code.

Finally, even if compliance with the Workplace Code's wage and hours provisions were to raise per unit labor costs, it is unlikely that the cost increase would either be reflected in what U.S. consumers pay or would facilitate parallel pricing among competing manufacturers. Labor is too small a component of the typical finished good to

affect the U.S. price. In the case of Haiti, for example, a 20% wage increase would take the hourly wage from 27-28 cents per hour to 33 cents per hour. This 40 cents per eight hour day wage increase is simply too small to be reflected in prices paid by U.S. consumers for products on the shelves in the United States.

Nor would compliance with the Workplace Code facilitate parallel pricing by standardizing labor costs among competitors. First, as discussed above, labor is a small component of total cost -- too small to be a useful basis for interdependent pricing. And, more importantly, the Workplace Code does not lend itself to standardized labor costs. Compliance with the Workplace Code would require payment of the higher of the minimum wage required by local law or the industry wage prevailing in that country, not a uniform amount. Thus, companies with manufacturing facilities in, e.g., Guatemala that comply with the Workplace Code are likely to have labor costs that differ from those of competitors with plants in other countries, even if all those companies sought to be in compliance with the Workplace Code.

Finally, the Principles of Monitoring are necessary to effectuate the purpose of the Workplace Code of Conduct – providing consumers with reliable information relating to manufacturers' labor practices – but do not raise any plausible competition concerns. Companies that choose to comply with the Workplace Code will bear primary responsibility for ensuring that their workplaces comply with the Workplace Code. Under the Principles of Monitoring, participating companies are obligated to report to the Fair Labor Association regarding their own efforts to monitor compliance with the Workplace Code, and to identify areas of noncompliance and their efforts at remediation. *See* Charter, § VII.B. Because compliance with the Workplace Code will not result in anticompetitive effects, reports regarding compliance with the Workplace Code will not have anticompetitive effects either. Companies are free in the first instance to decide whether or not to adopt the Workplace Code. If they prefer not to comply with the Workplace Code, they should not – and will not – subscribe to it. No procompetitive purpose would be served by permitting companies to misrepresent their compliance. Furthermore, in reporting on compliance or noncompliance with the Workplace Code, subscribing companies will not be required to provide information of competitive significance.

In order to ensure consumer confidence in the Workplace Code, it is also necessary for independent third party monitors to review compliance at a portion of each participating company's facilities (initially 30% of applicable facilities). The provisions for third party monitors are designed to maintain the confidentiality of competitively sensitive information. As with reports of the results of internal monitoring, third party monitor reports assessing a company's compliance with the Workplace Code will not include information of competitive significance. To the extent that third party monitors

audit confidential wage, hour, or payroll records in order to reach the conclusions that they will report, the competitively sensitive information will remain confidential, with the monitor providing only a general description of areas of compliance or noncompliance. Charter § XIII.E.

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Writing in the Washington Post, Eleanor Fox asserted that the challenge of antitrust is to preserve the benefits of global competition while resisting "the impulse of the owners of capital to move their plants to locations that offer the lowest costs even at the expense of exploiting children, workers and environments, as symbolized by . . . 20-cent child labor in Vietnam." Fox, Mergers 'R Us; Has Antitrust Gone the Way of the 5 & 10?, Washington Post, March 30, 1997. The Workplace Code puts that issue to the Antitrust Division. We are confident that the antitrust laws and the enforcement agencies will permit an affirmative answer to Professor Fox's question.

We would be pleased to provide you with any further information that you may require. We appreciate your prompt attention to this matter.

Sincerely,

Kenneth A. Letzler

Richard M. Lucas

Attachments