FOR FURTHER INFORMATION CONTACT:

Phoebe D. Morse, Federal Trade Commission, Boston Regional Office, 101 Merrimac Street, Suite 810, Boston, MA 02114–4719 (617) 424–5960

John T. Dugan, Federal Trade Commission, Boston Regional Office, 101 Merrimac Street, Suite 810, Boston, MA 02114–4719 (617) 424–5960

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46, and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the accompanying complaint. An electronic copy of the full text of the consent agreement package can be obtained from the Commission Actions section of the FTC Home Page (for December 9, 1996), on the World Wide Web, at ''http://www.ftc.gov/os/actions/htm.'' A paper copy can be obtained from the FTC Public Reference Room, Room H–130, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326–3627. Public comment is invited. 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 § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Proposed Consent Order To Aid Public Comment

The Federal Trade Commission has accepted an agreement to a proposed consent order from Premier Products, Inc., T.V. Products, Inc., T.V.P. Corporation, Michael Sander, and Issie Kroll. The proposed respondents are marketers of a food thawing tray known as ''Miracle Thaw.''

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

The Commission's complaint charges that the proposed respondents made the following false and unsubstantiated representations about Miracle Thaw: (1) Laboratory testing proves that food items defrosted or thawed on Miracle Thaw will not develop harmful or unsafe levels of bacteria; (2) there is no risk of buildup of harmful or unsafe levels of bacteria on perishable frozen food items defrosted or thawed on Miracle Thaw; (3) Miracle Thaw will defrost or thaw particular frozen food items within specific time periods; and (4) Miracle Thaw achieves the accelerated defrosting or thawing depicted in advertisements because it is a superconductive metal tray that transfers heat energy from the air into frozen food items, thereby speeding up the natural defrosting or thawing process. The complaint further charges that the proposed respondents represented that Miracle Thaw is effective, useful, or appropriate for defrosting or thawing frozen food items, but failed to disclose that defrosting or thawing perishable food on Miracle Thaw may pose a risk of buildup of harmful or unsafe bacteria on the food.

The proposed consent order contains provisions designed to remedy the violations charged and to prevent proposed respondents from engaging in similar acts in the future.

Part I of the proposed order, in connection with any product involving the preparation or storage of food, prohibits the proposed respondents from misrepresenting: (1) The existence, contents, validity, results, conclusions or interpretations of any test, study, or research; (2) the risk of buildup of harmful or unsafe levels of bacteria on food items defrosted, thawed, prepared, or stored using such product; (3) the amount of time it may take to defrost, thaw, or prepare food items using such product; or (4) the process by which such product achieves any claimed defrosting, thawing, or preparation times. Part II, in connection with any product for use in the preparation or storage of food, prohibits any representation about the benefits, performance, efficacy, or safety of such product, unless proposed respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

Part III of the proposed order, in connection with Miracle Thaw or any substantially similar product, prohibits any representation about the effectiveness, usefulness, or appropriateness of such product for defrosting or thawing frozen food items, unless proposed respondents also make certain specified disclosures in advertisements, on product packages, and in product inserts warning of the potential risk of harmful or unsafe bacteria buildup associated with use of the product.

The proposed order (Part IV) contains record keeping requirements for materials that substantiate, qualify, or contradict covered claims and requires the proposed respondents to keep and maintain all advertisements and promotional materials containing any representation covered by the proposed order. In addition, the proposed order (Part V) requires distribution of a copy of the consent decree to past, present, and future purchasers for resale (such as wholesalers or retailers) and licensees of Miracle Thaw or any substantially similar product. Part V also requires that the proposed respondents provide warnings to and eventually terminate their business relationship with a purchaser for resale or licensee about whom the proposed respondents receive evidence that such purchaser for resale or licensee is making claims prohibited by the order or failing to disclose information required by the order. Further, the proposed order (Part VI) requires distribution of a copy of the consent decree to current and future officers and agents.

Part VII provides for Commission notification upon a change in the corporate respondents and Commission notification when each of the individual respondents changes his present business or employment (Part VIII). The proposed order also requires the filing of compliance report(s) (Part IX). Finally, Part X provides for the termination of the order after twenty years under certain circumstances.

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

Donald S. Clark,

Secretary.

[FR Doc. 96–31801 Filed 12–13–96; 8:45 am]

BILLING CODE 6750–01–P

[File No. 951–0130]

SoftSearch Holdings, Inc.; GeoQuest International Holdings, Inc.; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: In settlement of alleged violations of federal law prohibiting

unfair or deceptive acts or practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would require, among other things, Dwight's EnergyData, Inc., a subsidiary of SoftSearch and the largest supplier of U.S. gas and oil production data, to license its data to a Commission-approved buyer, which will operate as an independent competitor. The agreement settles allegations that Dwight's merger with its major competitor Petroleum Information Corporation, a subsidiary of GeoQuest International, could create a monopoly for production and well history data, in violation of federal antitrust laws.

DATES: Comments must be received on or before February 14, 1997.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT:

William J. Baer, Federal Trade Commission, H–374, 6th and Pennsylvania Ave., NW, Washington, DC 20580. (202) 326–2932.

George Cary, Federal Trade Commission, H–374, 6th and Pennsylvania Ave., NW, Washington, DC 20580. (202) 326–3741

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46, and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the accompanying complaint. An electronic copy of the full text of the consent agreement package can be obtained from the Commission Actions section of the FTC Home Page (for December 5, 1996), on the World Wide Web, at ''http://www.ftc.gov/os/actions/htm.'' A paper copy can be obtained from the FTC Public Reference Room, Room H–130, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326–3627. Public comment is invited. 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 § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

Analysis To Aid Public Comment on the Provisionally Accepted Consent Order

The Federal Trade Commission (''Commission'') has accepted for public comment from SoftSearch Holdings, Inc. (''SoftSearch''), and GeoQuest International, Inc. (''GeoQuest''), an agreement containing consent order. This agreement has been placed on the public record for sixty (60) days for receiving comments from interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will review the agreement and the comments received, and will decide what additional action to take.

The proposed merger involving GeoQuest and SoftSearch may be anticompetitive. Both firms, through Petroleum Information Corporation (''Petroleum Information'') and Dwight's EnergyData (''Dwight's''), their respective subsidiaries, collect and distribute certain data to the petroleum industry relating to oil and gas well drilling and production. The proposed consent order would require the respondents to license the Dwight's database to HPDI, L.L.C., (''HPDI''), a Texas limited liability corporation currently engaged in the collection and distribution of similar data. HPDI could use Dwight's data to compete with the merged companies. Should the Commission determine, after the public comment period, that granting a license to HPDI will not be effective in maintaining competition after the merger, the Commission may appoint a trustee to license the data to a purchaser other than HPDI. The purpose of this analysis is to elicit public comments on all aspects of the complaint and the proposed remedy.

Dwight's and Petroleum Information are engaged in the business of selling petroleum data. One type of data, known as ''well data,'' includes a variety of geological and other types of information derived from, or related to, the drilling of specific oil and gas wells. Another type of data, known as ''production data,'' deals with volumes of oil and gas produced over time from specific wells or leases. Purchasers use this data in a variety of ways, including evaluating potential production and reserves of geological formations and finding patterns of oil and gas production for future exploration and development.

The Commission's Investigation and Concerns

Potential anticompetitive problems in the sale or license of this data could result from a merger of Dwight's and Petroleum Information. They are by far the two largest data vendors, and offer the most thorough sets of petroleum data in the United States. The draft complaint alleges that the proposed merger would eliminate direct, ongoing competition between the respondents in the distribution of well and production data and lead to anticompetitive increases in the prices charged for well and production data. The proposed complaint also alleges that substitutes for the data provided by respondents are economically infeasible, and that the proposed merger would cause customers to pay more, receive less, or both.

Rivalry in innovation and product quality might deteriorate. The respondents compete in being the first to the market in offering product enhancements to meet the changing needs of petroleum data users and timely delivery of accurate data. The respondents have assembled their databases from different sources of information. The respondents presently compete to offer the most complete and accurate information for a particular customer's needs.

The respondents have asserted that there are efficiencies or cost reductions from assimilation of separate databases into a common computer format and reduction of redundant personnel. They also assert that devoting resources to finding and resolving discrepancies can improve the accuracy of the data when Dwight's and Petroleum Information report different data for the same well or lease, and that such efforts are not feasible absent the merger. Presently, in order to ensure access to the most complete and accurate data, customers must buy both companies' products. Finally the respondents claim that many customers will save substantial resources by reducing their internal computer support that currently services two sets of data.

Even if the respondents are correct in their analysis, the draft complaint alleges that the merger as originally proposed presented risks of increased prices or other anticompetitive behavior. Entry by others into this business would be unlikely to offset this behavior. The proposed complaint alleges that entry by others into this business would be unlikely to offset this behavior. Entry is very difficult because of the extensive nature of the Dwight's and Petroleum Information databases. Information for pre-1970s wells, for example, would be practically impossible to duplicate.

The Proposed Consent Order

The draft complaint alleges that SoftSearch and GeoQuest violated Section 5 of the Federal Trade Commission Act by agreeing, in July 1995, to merge the businesses of Dwight's and Petroleum Information and that the merger, if consummated, would violate section 7 of the Clayton Act. The draft complaint alleges relevant markets are the provision of well data and the provision of production data in the United States. The draft complaint alleges that the merger may substantially lessen competition by eliminating direct competition between Dwight's and Petroleum Information; increasing the likelihood that respondents will unilaterally exercise market power; and increasing the likelihood of, or facilitating, collusion or coordinated interaction. The draft complaint alleges that each of these effects increases the likelihood that the prices of well data and production data will increase, and services to customers of well data and production data will decrease.

The Agreement Containing Consent Order would, if finally issued by the Commission, settle charges alleged in the draft Complaint.

The order accepted for public comment contains provisions that would permit the proposed merger to occur, thus allowing customers to realize the alleged benefits described above. However, the proposed order would require the respondents to license a set of complete data currently sold by Dwight's to a third company, that could resell the data in competition with the merged Petroleum Information/Dwight's, thus preserving competition. In addition to obtaining a license to the complete Dwight's database, the third party would also receive the right to distribute well coordinate information generated by Tobin Data Graphs, LLC, a firm affiliated with Dwight's. The purpose of the proposed order is to create a viable and competitive vendor of data now sold by the respondents.

The Licensee and Trustee Provisions of the Proposed Order

HPDI has been provisionally approved as the licensee under the order of Dwight's data. The identification of a specific licensee in the proposed consent order will allow the public to comment on the effectiveness of the proposed relief in the context of a specific proposed licensee (Exhibit A to the proposed consent order). It also minimizes the delay in restoring competition, allegedly lost as a result of the transaction and, thus, lessens the risk that the licensing provision will fail.

HPDI is a Texas limited liability corporation organized on August 24, 1994. HPDI provides limited production data to firms engaged in gas or oil gathering and transportation. Few, if any, current HPDI customers use that data to assist in decisions relating to exploration or production of oil and gas resources.

HPDI, like Dwight's and Petroleum Information, obtains its production data from governmental agencies. HPDI obtains current production data from files maintained by the states of Alaska, Colorado, Kansas, Louisiana, New Mexico, Oklahoma, Oregon, South Dakota, and Texas. It also obtains data from the Minerals Management Service for the Gulf Offshore. HPDI converts disparate data formats of the various government agencies into a single format and provides the data to users on window-based CD–ROMs. HPDI's database covers only those years for which the government agencies have put data into a machine-readable (as opposed to written on paper) format. HPDI's Texas data, for example, dates from 1974. This means that HPDI lacks historical production data for many wells, which has impeded HDPI's expansion into serving the exploration and production segment of the oil and gas industry, the primary customer base for Dwight's and Petroleum Information. The license provided by the proposed order would supply HPDI with this historical data.

Capitol Appraisal Group, Inc. (''CAG''), a Texas corporation, owns the majority of HPDI. CAG appraises oil and gas leases for Texas counties and other Texas taxing jurisdictions. In its appraisal business, CAG uses the Texas state oil production records and processes oil and gas data on its computer mainframe. CAG supplies HPDI with office space, computer programming and processing capacity, and financing.

HPDI is a recent entrant to the business of selling petroleum data. HPDI has experience collecting, processing, and distributing production data derived from the computerized records of various state and federal government agencies. HPDI believes that it could integrate Dwight's data into its current CD–ROM products within sixty days after the effective date of a Commission order. HPDI plans to update virtually all of the Dwight's production and well data that is available from governmental agencies. In the future, HPDI may collect additional well data directly from oil companies (so-called ''scouting data''), although it does not have any experience in collecting and distributing such scouting data.

If the Commission, after review of the public comments, determines not to approve HPDI as the licensee, it may appoint a trustee to divest the data to another person. The proposed order provides for the appointment of Ben C. Burkett, II, of Burkett Consulting, Dallas, Texas, as a trustee to license Dwight's database.

Mr. Burkett has for more than fifteen years been an independent corporate finance and merger/acquisition consultant to clients in the oil and gas and other industries. Before forming his consulting firm, Mr. Burkett was a co-founder and director of Lear Petroleum Corp. Before that time, he was an employee with Mesa Petroleum Co. and Shamrock Oil and Gas Corp.

As a consultant, Mr. Burkett has managed initial public offerings of stock, facilitated a variety of mergers and acquisitions, and managed the restructuring and turnaround of companies in the oil and gas and chemical industries. In the mid-1980s, Mr. Burkett advised the prior owners of Dwight's on a financial restructuring of the company.

A separate agreement with SoftSearch (''Asset Maintenance Agreement'') requires respondents to preserve Dwight's data in the form now available. SoftSearch has therefore agreed to maintain and update the data until the Commission accepts or rejects the proposed order.

Solicitation of Public Comments

The purpose of this analysis is to invite public comment concerning the consent order. The Commission is particularly interested in receiving comments on the efficacy of the remedy if the Commission should approve HPDI as the licensee of Dwight's database and on the expression of interest by alternative potential licensees.

This analysis is not an official interpretation of the agreement and order and does not modify their terms in any way.

Donald S. Clark,

Secretary.

[FR Doc. 96–31804 Filed 12–13–96; 8:45 am]

BILLING CODE 6750–01–P