You raise the question, however, whether the Commission should be authorized to bring such actions in this particular type of case. This same question was put to me during the recent hearings before the Subcommittee on Commerce and Finance of your Committee on S. 510 and H.R. 14475. I replied that, while we had never sought this authority and were not seeking it now, it would be a most effective way of dealing with problems of this kind. I might add that, in connection with the possibility to which you adverted in your letter, we already have authority to bring an injunctive proceeding under the antifraud provisions and seek appropriate relief where a tender offer is used as a manipulative device to increase the value of existing stockholdings or for other purposes unrelated to a desire to acquire a controlling interest or a substantial investment position.

Sincerely,

MANUEL F. COHEN, *Chairman.*

(Whereupon, at 12:05 p.m. the subcommittee adjourned, subject to call.)

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