

Mr. MOSS. Do either of the other gentlemen have a comment?

Mr. CALVIN. Would you like to hear Mr. West's reply?

Mr. WEST. Sometimes they discuss it with us on a confidential basis in the first instance because of the time period. This 10-day period, for instance, for pro rata, which we have absolutely insisted upon many of the offerors want to reduce that period, let's say, to 7 days because of the commitments they have. They want to know exactly where they stand and where their commitments will follow, and we have refused to accept that. With the 10-day period for the pro rata, this is relative. We found that, by and large, it gives everyone in the United States an opportunity, with our rapid means of communication today, to know about the offer and make a decision. Because we also go after the management of the company and say, "You must make a statement to your stockholders, and we feel you should notify them as well that this tender offer is present." And, therefore, the stockholder will have an indication from the other side of the picture, whether the management is willing to go along with this tender offer and feels it is good or whether they have something else in their mind and will make a statement and feel that the price is too low.

We feel this should be done and is fair to the security holder.

Mr. KEITH. Just a minute, Mr. Cohen. You almost made me forget what I was going to say. I think the point I was going to make is would you not under S. 510 have sufficient authority to cause considerable embarrassment to those involved in any violation of the spirit of the law which we are considering?

Mr. COHEN. After the event. Yes.

Mr. KEITH. They learn darn fast.

Mr. COHEN. Let me explain. I have to, Mr. Keith. You want a full answer, I know.

Let's assume there is a 10-day withdrawal period, and that we got the materials the very same day they were filed, and examined them. By the time we crank up this machinery to try to get them changed, the 10 days would have run and people are locked in and we don't have any power to compel people to unlock the door. But I don't want to belabor this. I think the point has been made well that the stock exchange does get the benefit of a 5-day prefiling period. I don't know what the objections are to the SEC getting it.

Mr. KEITH. I know what you would do. You would make a speech somewhere and scare them all and it would be taken care of.

Mr. COHEN. Mr. Keith, I know you mean that in jest because I never do that.

Mr. WEST. When they have seen us it has been the night before and we have pounded the table at 8 o'clock at night and the tender offer was made the next morning. So it was not a 5-day period or otherwise. It has been the problem purely of the period to be covered in this relationship and we felt stockholders should be served.

Mr. MOSS. Mr. Stuckey.

Mr. STUCKEY. I think all my questions have been answered, Mr. Chairman, and I appreciate the remarks of Mr. Calvin and Mr. West and, of course, Chairman Cohen.

Mr. MOSS. Mr. Watkins.

Mr. WATKINS. I have no questions, Mr. Chairman.

Mr. MOSS. You quite obviously would like to make further observations and I think you are entitled to equal time.