

JUN 5 1986

**Dissenting Statement of
FCC Commissioner James H. Quello**

In re: Application of Macfadden Acquisition Corp. for
Commission Consent to a Transfer of Control of John
Blair & Company.

On May 16, 1986, I dissented in part to the Commission's intent to follow its "trustee" concept if other shortcomings in Macfadden's application were amended. I again cast my dissent and refer the reader to my dissents in One Two Corporation (McCarthy), 58 R.R.2d 924, 937 (1985) and the Policy Statement on Tender Offers and Proxy Contests, 59 R.R.2d 1536, 1584-86 (1986).

I also disagree that Macfadden adequately clarified the terms of its financial proposal in response to a staff inquiry. At the time we revised Form 301 with respect to financial showings, I expressed some concern that without adequate financial documentation there may be an abuse of the Commission's processes. Revision of Form 301, 50 R.R.2d 381, 384 (1981). This may be an example of just such a case. The staff requested a signed statement "from a person with first-hand knowledge of the facts." In my view, a signed statement from a principal of Macfadden does not satisfy that request. Rather, Macfadden should have submitted a statement from a principal of the lender. Without such specific documentation, there still exists a cloud over Macfadden's present ability to fund the takeover. Having raised these questions concerning Macfadden's financial qualifications, the Commission is obliged to obtain a satisfactory response or, as it did in Macfadden I, withhold the issuance of a special temporary authority.

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