

Corporate & Financial Weekly Digest

February 3, 2012 by [James J. Calder](#)

FTC Announces New Filing Thresholds for Hart Scott Rodino Notifications

The Federal Trade Commission has announced new notification thresholds for Premerger Notification Reports that must be filed under the Hart Scott Rodino Antitrust Improvements Act (HSR). The notification thresholds are adjusted every year for inflation. The new thresholds go into effect on February 27, 2012

Under the HSR Act, acquisitions of voting securities, interests in unincorporated entities such as LLCs, and assets must be notified to both the FTC and the Department of Justice if certain tests concerning the size of the transaction and the size of the parties to the transaction are met.

Under the new notification thresholds, the "size of transaction test" will increase from \$66 million to \$68.2 million. Thus, no HSR filing will be required if, as a result of the acquisition, the acquired person will hold less than \$68.2 million of voting stock, unincorporated entity interests and assets of the acquired person. Higher level notification thresholds, which require HSR notification where acquiring persons will hold larger amounts of the acquired entity's stock, ownership units, or assets have increased as well.

For transactions valued at less than \$272.8 million, the HSR Act does not apply unless a "size of person test" is met as well. Under the new thresholds for the size of person test, there will be no HSR notification obligation unless one of the parties to the transaction has net sales or total assets of at least \$13.6 million and the other has net sales or total assets of at least \$136.4 million.

Click [here](#) to read the announcement.