

Client Alert

Antitrust & Litigation Practice Group

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FTC Announces Increased Hart-Scott-Rodino Thresholds

On January 24, 2012, the Federal Trade Commission (FTC) announced the annual indexing of the jurisdictional thresholds under the Hart-Scott-Rodino (HSR) pre-merger notification statute. The new thresholds will apply to all transactions that close 30 days after the notice is published in the Federal Register.

As a result of the indexing:

- The \$66 million minimum transaction value filing threshold has increased to \$68.2 million.
- The \$263.8 million transaction value, above which size-of-person tests are inapplicable, becomes \$272.8 million.
- The \$13.2 million and \$131.9 million size-of-person tests become \$13.6 million and \$136.4 million tests, respectively.
- The amounts of the filing fees have not changed, but the thresholds are increased as follows:
 - Transactions valued between \$68.2 million and \$136.4 million pay \$45,000.
 - Transactions valued at \$136.4 million and up to \$682.1 million pay \$125,000.
 - Transactions valued at \$682.1 million or more pay \$280,000.
 - Many (but not all) of the dollar amounts appearing in the HSR Rules (and particularly in the exemptions) have been similarly adjusted.

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It is important for any company contemplating a transaction to seek legal advice to determine if the transaction triggers an HSR filing obligation pursuant to the revised HSR thresholds. If required, the failure to file an HSR prior to closing is a violation of federal law and can subject parties to significant penalties.

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