

New HSR Thresholds Announced

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On January 28, 2020, the Federal Trade Commission (FTC) announced the revised thresholds for determining whether companies are required to notify federal antitrust authorities about a transaction under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (HSR Act). If a proposed merger; acquisition of stock, assets or unincorporated interests; or other business combination meets certain thresholds, the parties must notify the FTC and the Department of Justice and observe a waiting period before consummating the transaction. Section 7A(a)(2) of the Clayton Act requires the FTC to revise all of the HSR Act thresholds annually, based on changes in the gross national product.

The new minimum filing threshold will be \$94 million. All of the revised thresholds are higher than the current amounts, as shown on the chart below. The new HSR Act thresholds have been published in the Federal Register and will become effective February 27, 2020.

The FTC also announced the revised jurisdictional dollar thresholds applicable to Clayton Act Section 8 prohibitions of interlocking officers or directors on their corporate boards of directors. The revised thresholds are \$38,204,000 for Section 8(a)(1) and \$3,820,400 for Section 8(a)(2)(A). These new thresholds took effect immediately upon publication in the Federal Register on January 21, 2020.

Original Threshold	Current Threshold	Revised Threshold
\$10 million	\$18 million	\$18.8 million
\$50 million	\$90 million	\$94 million
\$100 million	\$180 million	\$188 million
\$110 million	\$198 million	\$206.8 million
\$200 million	\$359.9 million	\$376 million
\$500 million	\$899.8 million	\$940.1 million
\$1 billion	\$1.799 billion	\$1,880.2 billion

These revised thresholds will affect the jurisdictional requirements and certain exemptions under the HSR Act, as well as the HSR Act's filing fee schedule. Thus, for example, a transaction valued below the revised minimum notification threshold of \$94 million generally will not need to be reported, and the size-of-person test will not apply to a transaction valued above \$376 million. The filing fees for reportable transactions will be as follows:

- **\$45,000** for transactions valued in excess of \$94 million but less than \$188 million;
- **\$125,000** for transactions valued at \$188 million or greater but less than \$940.1 million; and
- **\$280,000** for transactions valued at \$940.1 million or more.