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## Hart-Scott-Rodino Notification Thresholds Will Tick Up Next Month

By Robin Sampson

Lawyers and business professionals who regularly engage in acquisitions, mergers, and joint ventures know that certain larger transactions are subject to the notification provisions of the Hart-Scott-Rodino Antitrust Improvements Act (HSR Act). The HSR Act applies to nonprofit transactions as well, including certain affiliation agreements and membership changes. When HSR Act thresholds are met, the parties must notify the Department of Justice and the Federal Trade Commission, and then allow a waiting period (usually 30 days) to elapse. These agencies use the waiting period to evaluate the competitive effects of the transaction—and the parties cannot complete their transaction until the waiting period expires or is terminated.

Each January, the Federal Trade Commission announces the newly calculated notification thresholds for HSR-reportable transactions, and the [upcoming year's thresholds](#) were announced last Thursday, January 21. The Federal Register notice specifies the minimum “size of parties” and “size of transaction” for reportable transactions, as well as adjusted dollar amounts for various other HSR Act regulations. There are a number of exemptions to the HSR Act reporting rules, but in general:

- Transactions valued at more than \$312.6 million must be reported without regard to the size of the parties; and
- Transactions valued at more than \$78.2 million must be reported if one party has assets or sales exceeding \$156.3 million and the other party has assets or annual sales exceeding \$15.6 million.

The original thresholds, the current (2015) thresholds and the new (2016) thresholds are set forth below. The 2016 thresholds will be effective in late February, 30 days after publication in the Federal Register.

| Original Threshold | Current 2015 Threshold | Revised 2016 Threshold |
|--------------------|------------------------|------------------------|
| \$10 million       | \$15.3 million         | \$15.6 million         |
| \$50 million       | \$76.3 million         | \$78.2 million         |
| \$100 million      | \$152.5 million        | \$156.3 million        |
| \$200 million      | \$305.1 million        | \$312.6 million        |
| \$500 million      | \$762.7 million        | \$781.5 million        |

Each reportable deal comes with a filing fee based on the value of the transaction, and those filing fee triggers have also been adjusted. The new filing fee schedule for 2016 will be:

- \$45,000 for transactions valued in excess of \$78.2 million but less than \$156.3 million;
- \$125,000 for transactions valued in excess of \$156.3 million; and
- \$280,000 for transactions valued in excess of \$781.5 million.

For more information, please contact the author of this client alert or your regular Drinker Biddle contact.

### Antitrust Team

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