

FTC Revises Hart-Scott-Rodino Thresholds for 2016

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On January 21, 2016, the Federal Trade Commission announced revised notification thresholds pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The HSR Act requires parties to file notification with the FTC and the United States Department of Justice prior to consummating a merger or acquisition that meets the HSR Act's jurisdictional tests.

The FTC is required to revise the HSR thresholds annually based on changes in the gross national product. The following will go into effect on **February 25, 2016**, 30 days after the date of their publication in the Federal Register which was January 26, 2016.

Original Threshold	2015 Threshold	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
\$110 million	\$167.8 million	\$171.9 million
\$200 million	\$305.1 million	\$312.6 million
\$500 million	\$762.7 million	\$781.5 million
\$1 billion	\$1.5253 billion	\$1.5630 billion

Unless exempt, transactions valued greater than **\$312.6 million** meet the size-of-transaction test and are reportable irrespective of the size of the parties. Transactions valued greater than **\$78.2 million** and less than or equal to **\$312.6 million** may trigger a reporting duty if the parties meet the size-of-person test. Under the size-of-person test, one person must have total assets or annual net revenues equal or greater than **\$15.6 million** and the other total assets or annual net revenues equal or greater than **\$156.3 million**.

The FTC also revises the monetary thresholds that trigger prohibited interlocking directorates under Section 8. The 2016 thresholds are \$31,841,000 for Section 8(a)(1) and \$3,184,100 for Section 8(a)(2)(A).

Mergers that do not meet these thresholds may nonetheless substantially lessen competition. Parties to these transactions may close them, however, without filing notification. The agencies may investigate them nonetheless.

Our client alerts are for general information purposes only and should not be regarded as legal advice. If you would like additional information, please contact:

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