

Annual HSR Threshold Adjustments Announced

FTC adjusts the Hart-Scott-Rodino Act size thresholds, raising the minimum size for reportable acquisitions to \$94 million.

On January 28, 2020, the Federal Trade Commission (FTC) announced new jurisdictional thresholds for the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act). The FTC is required to adjust the thresholds annually, based on the change in gross national product. These increases were published in the Federal Register and are effective for all transactions closing on or after February 27, 2020.

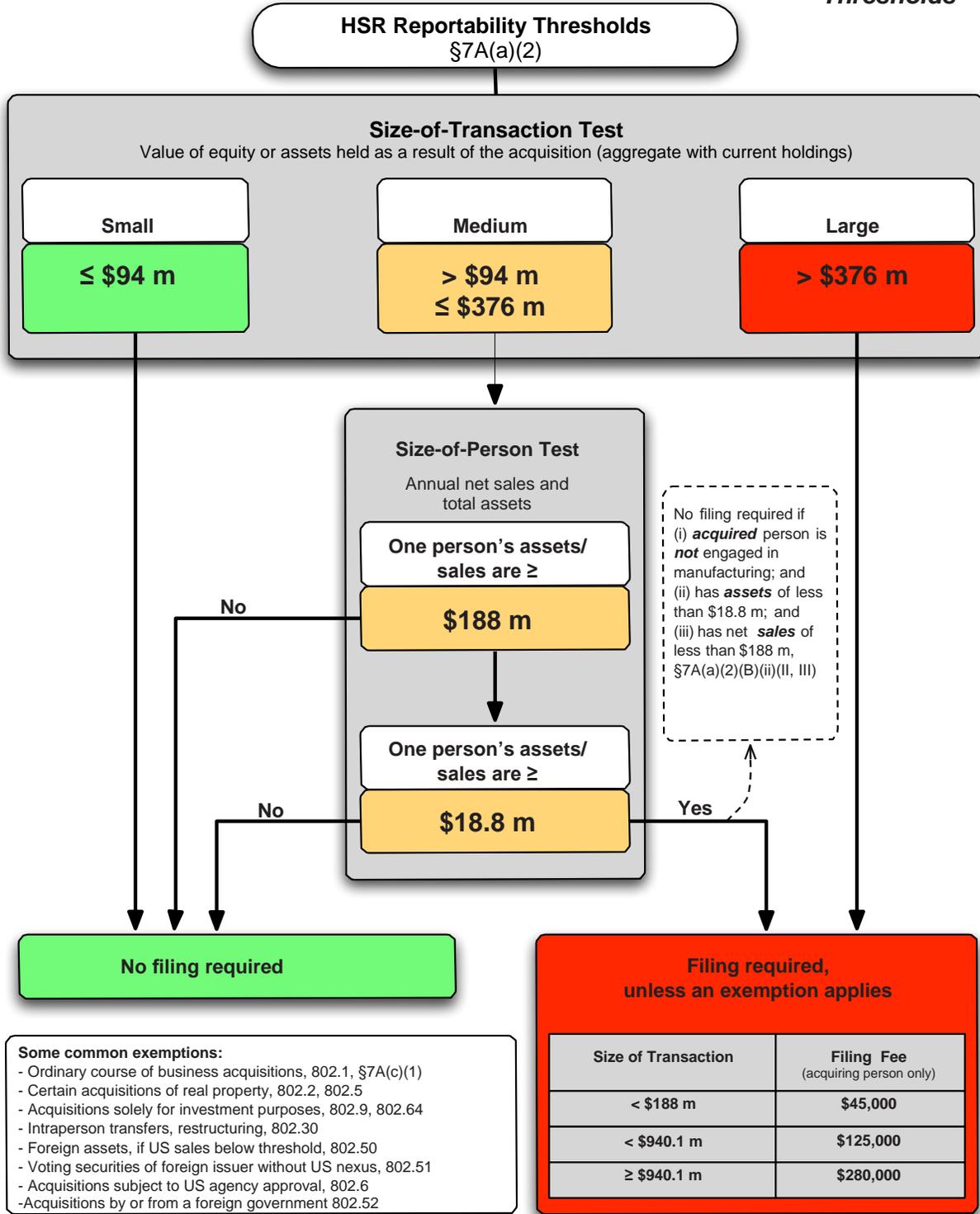
The new thresholds will:

- Increase the minimum size-of-transaction test to \$94 million; this means acquisitions of \$94 million or less will not be reportable
- Increase the transaction size to which the size-of-persons test applies to \$376 million; this means acquisitions of more than \$376 million will be reportable regardless of the size of the parties unless an exemption applies
- Increase the size-of-persons test to \$18.8 million and \$188 million; this means that acquisitions of \$376 million or less are not reportable unless one person has assets or annual net sales of \$18.8 million or more and the other person has assets or annual net sales of \$188 million or more. The size-of-person test for an acquired person that is not engaged in manufacturing is sales of \$188 million or assets of \$18.8 million.

The new thresholds for 2020 are set out below. The chart on the next page illustrates the application of the HSR thresholds and lists the filing fee amounts, which remain unchanged.

Original Threshold	New Threshold
<i>Size-of-Transaction</i> \$50 million	\$94 million
<i>Size-of-Persons</i> \$10 million and \$100 million	\$18.8 million and \$188 million
<i>Transaction Size above which Size-of-Persons Test Inapplicable</i> \$200 million	\$376 million
<i>Notification thresholds:</i> \$50 million \$100 million \$500 million 25% of stock worth \$1 billion	\$94 million \$188 million \$940.1 million \$1,880.2 million
<i>Filing fee thresholds:</i> \$50 million \$100 million \$500 million	\$94 million \$188 million \$940.1 million

**2020 Adjusted
Thresholds**



Sources: HSR Act (§7A Clayton Act, 15 USC §18a), Coverage Rules and Exemption Rules (16 CFR Parts 801 and 802)

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