

January 27, 2012

The Federal Trade Commission has now published its notice of adjustments to the Hart-Scott-Rodino thresholds in the Federal Register, with the revised thresholds to go into effect on **February 27, 2012**. The thresholds, which impact both triggers for filing requirements and filing fee tiers are adjusted annually for changes in GNP.

The HSR Act requires parties to notify the Federal Trade Commission and Department of Justice when a deal meets specified thresholds and no exemption applies. If notification is required, the parties cannot close while the statutory waiting period runs and the agencies review the transaction. Most commonly, a filing is required if the parties meet both the "size of person" and "size of transaction" thresholds, which will be modified by the new thresholds to be:

Size-of-Person Test: met if one company has over \$136.4 million in annual sales or total assets and the other company has over \$13.6 million in annual sales or total assets.

Size-of-Transaction Test: met if, as a result of the transaction, the buyer will hold voting securities or assets, including voting securities currently held in the seller and assets recently acquired from the seller, valued in excess of \$68.2 million.

All threshold changes are summarized in the chart below.

BASE HSR THRESHOLDS	2011 THRESHOLDS	2012 THRESHOLDS
\$50 million "size of transaction" test	\$66 million	\$68.2 million
\$10 million "size of person" test	\$13.2 million	\$13.6 million
\$100 million "size of person" test	\$131.9 million	\$136.4 million
\$200 million "size of transaction" test (renders size of person test inapplicable)	\$263.8 million	\$272.8 million
\$50 million notification threshold	\$66 million	\$68.2 million
\$100 million notification threshold	\$131.9 million	\$136.4 million
\$500 million notification threshold	\$659.5 million	\$682.1 million

25 percent of stock worth \$1 billion notification threshold	25 percent of stock (if worth at least \$1,319 million)	25 percent of stock (if worth at least \$1,364.1 million)
50 percent (if over \$50 million) notification threshold	50 percent (if over \$66 million)	50 percent (if over \$68.2 million)
Level at which \$45,000 filing fee is required	Value of the acquisition is greater than \$66 million but less than \$131.9 million	Value of the acquisition is greater than \$68.2 million but less than \$136.4 million
Level at which the \$45,000 filing fee increases to a \$125,000 filing fee	Value of the acquisition is at least \$131.9 million but less than \$659.5 million	Value of the acquisition is at least \$136.4 million but less than \$682.1 million
Level at which the \$125,000 filing fee increases to a \$280,000 filing fee—the highest HSR filing fee tier	Value of the acquisition reaches or exceeds \$659.5 million	Value of the acquisition reaches or exceeds \$682.1 million
Exemption thresholds applicable to acquisitions of voting securities or assets of foreign issuers; indirect acquisitions of exempt assets	Level ties to a \$66 million threshold	Level ties to a \$68.2 million threshold

Failure to file an HSR Notification and Report Form remains subject to a statutory penalty of up to \$16,000 per day of noncompliance.

The HSR thresholds are only one part of the analysis to determine whether an HSR filing will be required, so please contact a Cooley antitrust contact with any reportability questions.

This content is provided for general informational purposes only, and your access or use of the content does not create an attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction, and you should not act or refrain from acting based on this content. This content may be changed without notice. It is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. When advising companies, our attorney-client relationship is with the company, not with any individual. This content may have been generated with the assistance of artificial intelligence (AI) in accordance with our AI Principles, may be considered Attorney Advertising and is subject to our [legal notices](#).

Key Contacts

Megan Browdie
Washington, DC

mbrowdie@cooley.com
+1 202 728 7104

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.