



Mergers & Acquisitions/Antitrust ADVISORY ■

JANUARY 27, 2015

FTC Revises Thresholds for HSR Filings and Interlocking Directorates

On January 15, 2015, the Federal Trade Commission (FTC) announced its annual adjustment of the jurisdictional thresholds for pre-merger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act) and for interlocking directorates under Section 8 of the Clayton Act. The revisions account for changes in the level of the U.S. gross national product and constitute an increase of about one-half of one percent.

HSR Act Pre-Merger Notification Thresholds

The HSR Act requires companies contemplating mergers or acquisitions of voting securities or assets that meet or exceed certain monetary thresholds to file notification forms with the FTC and Department of Justice and to wait a designated period of time before consummating the contemplated transaction. The new thresholds will go into effect for transactions closing on or after February 20, 2015. For transactions closing after this date, companies generally will need to comply with the HSR Act pre-merger notification and waiting period requirements if the following is true:

1. The size of the transaction (as defined by the HSR Act and applicable regulations) is in excess of \$305.1 million; or
2. The size of the transaction is in excess of \$76.3 million, the total assets or annual net sales of one party to the transaction (as defined by the HSR Act and applicable regulations) equal \$152.5 million or more, and the total assets or annual net sales of the other party to the transaction equal \$15.3 million or more.

Although the HSR Act filing fee amounts will not increase, these adjustments do affect the filing fee schedule as follows:

Size of the Transaction	Filing Fee
In excess of \$76.3 million, but less than \$152.5 million	\$45,000
\$152.5 million or more, but less than \$762.7 million	\$125,000
\$762.7 million or more	\$280,000

These adjustments constitute the primary changes to the HSR Act regulations adopted by the FTC on January 15. Additional regulations governing the methodology for calculating the size of party and size of transaction tests, as well as exemptions from the HSR Act, remain unchanged.

Interlocking Directorates Thresholds

Section 8 of the Clayton Act prohibits, with certain exceptions, one person from serving as a director or officer of two competing corporations. Under the FTC's revised Section 8 thresholds, which became effective upon publication in the *Federal Register* on January 21, 2015, a person may not serve as a director or officer of two competing corporations if each corporation has capital, surplus and undivided profits aggregating more than \$31,084,000, unless one or more of the corporations has competitive sales under \$3,108,400 or other exceptions apply.

This advisory is published by Alston & Bird LLP to provide a summary of significant developments to our clients and friends. It is intended to be informational and does not constitute legal advice regarding any specific situation. This material may also be considered attorney advertising under court rules of certain jurisdictions.

If you would like to receive future *Mergers & Acquisitions/Antitrust Advisories* electronically, please forward your contact information to antitrust.advisory@alston.com. Be sure to put "subscribe" in the subject line.

If you have any questions or would like additional information, please contact your Alston & Bird attorney or any of the following:

Select Members of Alston & Bird's Antitrust Group

Randall L. Allen
404.881.7196
randall.allen@alston.com

Ankith Kamaraju
404.881.7178
ankith.kamaraju@alston.com

Jason Rottner
404.881.4527
jason.rottner@alston.com

Adam J. Biegel
404.881.4692
adam.biegel@alston.com

Matthew D. Kent
404.881.7948
matthew.kent@alston.com

Valarie C. Williams
404.881.7631
valarie.williams@alston.com

Teresa T. Bonder
404.881.7369
teresa.bonder@alston.com

Peter Kontio
404.881.7172
peter.kontio@alston.com

William H. Jordan
404.881.7850
bill.jordan@alston.com

Mark A. McCarty
404.881.7861
mark.mccarty@alston.com

Select Members of Alston & Bird's Mergers & Acquisitions Group

David E. Brown, Jr.
202.239.3345
david.brown@alston.com

Mark McElreath
212.210.9595
mark.mcelreath@alston.com

Dennis Garris
202.239.3452
dennis.garris@alston.com

Teri Lynn McMahon
404.881.7266
teri.mcmahon@alston.com

Justin R. Howard
404.881.7758
justin.howard@alston.com

Scott Ortwein
404.881.7936
scott.ortwein@alston.com

H. Bryan Ives, III
704.444.1002
bryan.ives@alston.com

ALSTON & BIRD

WWW.ALSTON.COM

© ALSTON & BIRD LLP 2015

ATLANTA: One Atlantic Center ■ 1201 West Peachtree Street ■ Atlanta, Georgia, USA, 30309-3424 ■ 404.881.7000 ■ Fax: 404.881.7777
BRUSSELS: Level 20 Bastion Tower ■ Place du Champ de Mars ■ B-1050 Brussels, BE ■ +32 2 550 3700 ■ Fax: +32 2 550 3719
CHARLOTTE: Bank of America Plaza ■ 101 South Tryon Street ■ Suite 4000 ■ Charlotte, North Carolina, USA, 28280-4000 ■ 704.444.1000 ■ Fax: 704.444.1111
DALLAS: 2828 North Harwood Street ■ 18th Floor ■ Dallas, Texas, USA, 75201 ■ 214.922.3400 ■ Fax: 214.922.3899
LOS ANGELES: 333 South Hope Street ■ 16th Floor ■ Los Angeles, California, USA, 90071-3004 ■ 213.576.1000 ■ Fax: 213.576.1100
NEW YORK: 90 Park Avenue ■ 15th Floor ■ New York, New York, USA, 10016-1387 ■ 212.210.9400 ■ Fax: 212.210.9444
RESEARCH TRIANGLE: 4721 Emperor Blvd. ■ Suite 400 ■ Durham, North Carolina, USA, 27703-85802 ■ 919.862.2200 ■ Fax: 919.862.2260
SILICON VALLEY: 275 Middlefield Road ■ Suite 150 ■ Menlo Park, California, USA, 94025-4004 ■ 650.838.2000 ■ Fax: 650.838.2001
WASHINGTON, DC: The Atlantic Building ■ 950 F Street, NW ■ Washington, DC, USA, 20004-1404 ■ 202.756.3300 ■ Fax: 202.756.3333