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January 2020

## **FTC Announces 2020 ‘Size of Transaction Thresholds’ for Clayton Act Premerger Notification Filings and Interlocking Directorates**

The Federal Trade Commission (FTC) announced on Jan. 28, 2020, that the “size-of-transaction threshold” for reporting proposed mergers and acquisitions for 2020 under Section 7A of the Clayton Act will adjust from \$90 million to \$94 million (see page 2). The FTC revises these figures each year based on changes in the nation’s gross national product.

The 2020 thresholds under Section 8 of the Clayton Act that trigger prohibitions on certain interlocking memberships on corporate boards of directors are \$38,204,000 for Section 8(a)(1) and \$3,820,400 for Section 8(a)(2)(A), the commission stated (see page 3).

The revised thresholds under Section 7A of the Clayton Act will apply to all transactions that close on or after the effective date of the notice, which is 30 days after its publication in the Federal Register. The thresholds for Section 8 of the Clayton Act become effective upon publication in the Federal Register. A complete listing of current thresholds can be found on the FTC’s website, and will be updated once the revised thresholds are published in the Federal Register.

The votes to approve the Federal Register notices announcing the threshold revisions were both 5-0.

The following pages provide the text of the notices from the Federal Register.



FEDERAL TRADE COMMISSION  
Revised Jurisdictional Thresholds for Section 7A of the Clayton Act

AGENCY: Federal Trade Commission.

ACTION: Notice.

SUMMARY: The Federal Trade Commission announces the revised thresholds for the Hart-Scott-Rodino Antitrust Improvements Act of 1976 required by the 2000 amendment of Section 7A of the Clayton Act.

DATES: February 27, 2020.

FOR FURTHER INFORMATION CONTACT:

Nora Whitehead (202–326–3100), Federal Trade Commission, Bureau of Competition, Premerger Notification Office, 400 7<sup>th</sup> Street SW, Room 5301, Washington, DC 20024.

SUPPLEMENTARY INFORMATION: Section

7A of the Clayton Act, 15 U.S.C. 18a, as added by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, Public Law 94–435, 90 Stat. 1390 (“the Act”), requires all persons contemplating certain mergers or acquisitions, which meet or exceed the jurisdictional thresholds in the Act, to file notification with the Commission and the Assistant Attorney General and to wait a designated period of time before consummating such transactions. Section 7A(a)(2) requires the Federal Trade Commission to revise those thresholds annually, based on the change in gross national product, in accordance with Section 8(a)(5). Note that while the filing fee thresholds are revised annually, the actual filing fees are not similarly indexed and, as a result, have not been adjusted for inflation in over a decade. The new thresholds, which take effect 30 days after publication in the Federal Register, are as follows:

Subsection of 7A	Original threshold (million)	Adjusted threshold (million)
7A(a)(2)(A) .....	\$200	\$376
7A(a)(2)(B)(i) .....	50	94
7A(a)(2)(B)(i) .....	200	376
7A(a)(2)(B)(ii)(i) .....	10	18.8
7A(a)(2)(B)(ii)(i) .....	100	188
7A(a)(2)(B)(ii)(II) .....	10	18.8
7A(a)(2)(B)(ii)(II) .....	100	188
7A(a)(2)(B)(ii)(III) .....	100	188
7A(a)(2)(B)(ii)(III) .....	10	18.8
Section 7A note: Assessment and Collection of Filing Fees <sup>1</sup> (3)(b)(1) .....	100	188
Section 7A note: Assessment and Collection of Filing Fees (3)(b)(2) .....	100	188
Section 7A note: Assessment and Collection of Filing Fees (3)(b)(2) .....	500	940.1
Section 7A note: Assessment and Collection of Filing Fees (3)(b)(3) .....	500	940.1

<sup>1</sup> Public Law 106–553, Sec. 630(b) amended Sec. 18a note.

Any reference to these thresholds and related thresholds and limitation values in the HSR rules (16 CFR parts 801–803) and the Antitrust Improvements Act Notification and Report Form (“the HSR Form”) and its Instructions will also be adjusted, where indicated by the term “(as adjusted)”, as follows:

Original threshold	Adjusted threshold (million)
\$10 million .....	\$18.8
\$50 million .....	94
\$100 million .....	188
\$110 million .....	206.8
\$200 million .....	376
\$500 million .....	940.1
\$1 billion .....	1,880.2

By direction of the Commission.

April J. Tabor,  
Acting Secretary.

[FR Doc. 2020–01423 Filed 1–27–20; 8:45 am]

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FEDERAL TRADE COMMISSION  
Revised Jurisdictional Thresholds for Section 8 of the Clayton Act

AGENCY: Federal Trade Commission.

ACTION: Notice.

SUMMARY: The Federal Trade Commission announces the revised thresholds for interlocking directorates required by the 1990 amendment of Section 8 of the Clayton Act. Section 8 prohibits, with certain exceptions, one person from serving as a director or officer of two competing corporations if two thresholds are met. Competitor corporations are covered by Section 8 if each one has capital, surplus, and undivided profits aggregating more than \$10,000,000, with the exception that no corporation is covered if the competitive sales of either corporation are less than \$1,000,000. Section 8(a)(5) requires the Federal Trade Commission to revise those thresholds annually, based on the change in gross national product. The new thresholds, which take effect immediately, are \$38,204,000 for Section 8(a)(1), and \$3,820,400 for Section 8(a)(2)(A).

DATES: January 21, 2020.

FOR FURTHER INFORMATION CONTACT:

James F. Mongoven (202-326-2879), Bureau of Competition, Office of Policy and Coordination.

(Authority: 15 U.S.C. 19(a)(5)).

April J. Tabor,

Acting Secretary.

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