

Antitrust

E-ALERT

January 22, 2010

FTC ANNOUNCES NEW LOWER HSR FILING THRESHOLDS EFFECTIVE FEBRUARY 22, 2010

The Federal Trade Commission ("FTC") has announced new monetary thresholds for the Hart-Scott-Rodino ("HSR") Act effective February 22, 2010. See 75 Fed. Reg. 3468 (Jan. 21, 2010). The new thresholds will be approximately 3% lower than those currently in effect. For example, the minimum "size-of-transaction" threshold, which must be met for the HSR Act to require any filing, will decrease from \$65.2 million (2009 threshold) to \$63.4 million (new 2010 threshold).

The 2000 amendments to the HSR Act require the FTC to adjust the thresholds annually based on changes in the gross national product ("GNP") as measured by the Department of Commerce. This is the first time that adjustment has caused the HSR thresholds to decline. The table below provides a complete list of the new thresholds.

2009 Thresholds	Adjusted 2010 Thresholds
\$13 million	\$12.7 million
\$65.2 million	\$63.4 million
\$130.3 million	\$126.9 million
\$260.7 million	\$253.7 million
\$651.7 million	\$634.4 million
\$1,303.4 million	\$1,268.7 million

The HSR Act applies to a wide range of transactions, including the acquisition of certain exclusive licenses and the formation of joint ventures, as well as mergers and acquisitions. While application of the HSR Act and implementing rules can be complex, a filing is potentially required for any transaction that results in the acquiring party holding voting securities, non-corporate interests, and/or assets valued in excess of the adjusted threshold (\$63.4 million under the new 2010 thresholds). Please contact any of the attorneys listed below if you have questions regarding the HSR Act in general or its application to a particular transaction.

If you have any questions concerning the material discussed in this client alert, please contact the following members of our antitrust practice group:

Thomas Barnett	202.662.5407	tbarnett@cov.com
Deborah Garza	202.662.5146	dgarza@cov.com
James Dean	202.662.5651	jdean@cov.com
James O'Connell	202.662.5991	joconnell@cov.com
David Addis	202.662.5182	daddis@cov.com

This information is not intended as legal advice, which may often turn on specific facts. Readers should seek specific legal advice before acting with regard to the subjects mentioned herein. Covington & Burling LLP is one of the world's preeminent law firms known for handling sensitive and important client matters. This promotional communication is intended to bring relevant developments to our clients and other interested colleagues. Please send an email to unsubscribe@cov.com if you do not wish to receive future emails or electronic alerts. Covington & Burling LLP is located at 1201 Pennsylvania Avenue, NW, Washington, DC 20004-2401. © 2010 Covington & Burling LLP. All rights reserved.

COVINGTON
COVINGTON & BURLING LLP

BEIJING

BRUSSELS

LONDON

NEW YORK

SAN DIEGO

SAN FRANCISCO

SILICON VALLEY

WASHINGTON

WWW.COV.COM