



Revised HSR Act Thresholds

January 27, 2012

The Federal Trade Commission (“FTC”) has announced revised monetary thresholds for the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (“HSR Act”). The revised thresholds were published in the Federal Register on January 27, 2012 and will be effective on February 27, 2012, applying to all transactions that close on or after that date.

The revisions increase the size-of-transaction and size-of-person thresholds for filing under the HSR Act. The thresholds used in determining filing obligations have been increased as follows: from \$66.0 to \$68.2 million, from \$131.9 to \$136.4 million, from \$263.8 to \$272.8 million, from \$659.5 to \$682.1 million, and from \$1,319.0 to \$1,364.1 million.

With respect to the size-of-person thresholds, acquisitions valued above \$68.2 million but less than \$272.8 million will be reportable if one party has annual net sales or total assets of at least \$136.4 million and the other has annual net sales or total assets of at least \$13.6 million. Acquisitions valued at or above \$272.8 million will be reportable without regard to the sales or assets of the parties.

The revisions will also increase size-of-transaction thresholds for acquisitions of additional voting securities from the same person. Notifications will be required at each of the following thresholds: \$68.2 million; \$136.4 million; \$682.1 million; 25% of the shares if their value is at or above \$1,364.1 million; and 50% of the shares if their value is above \$68.2 million. Acquisitions of additional voting securities that do not meet or exceed the next notification threshold for a period of five years after expiration or termination of the HSR waiting period are exempt, assuming that the acquiring person crosses the threshold for which it filed within the first year of expiration or termination of the HSR waiting period.

The filing fees for reportable transactions will not change, but the size-of-transaction thresholds that trigger those fees will change. The acquiring person will pay a filing fee of \$45,000 for transactions valued above \$68.2 million but less than \$136.4 million, \$125,000 for transactions valued at or above \$136.4 million but less than \$682.1 million, and \$280,000 for transactions valued at or above \$682.1 million.

Finally, the dollar amounts used for determining the applicability of certain exemptions to filing have also been adjusted to reflect the new thresholds, where indicated by the term “as adjusted” in the HSR rules.

* * *

For further information regarding the issues raised above or any other aspects of the HSR Act and rules, please contact:

New York:

Joseph Tringali
212-455-3840
jtringali@stblaw.com

Michael Naughton
212-455-7335
mnaughton@stblaw.com

Kenneth Ehrhard
212-455-2403
kehrhard@stblaw.com

Washington, D.C.:

Peter Thomas
202-636-5535
pthomas@stblaw.com

Arman Oruc
202-636-5599
aoruc@stblaw.com

William Kearney
202-636-5583
wkearney@stblaw.com

This memorandum is for general informational purposes and should not be regarded as legal advice. Furthermore, the information contained in this memorandum does not represent, and should not be regarded as, the view of any particular client of Simpson Thacher & Bartlett LLP. Please contact your relationship partner if we can be of assistance regarding these important developments. The names and office locations of all of our partners, as well as additional memoranda, can be obtained from our website, www.simpsonthacher.com.

The contents of this publication are for informational purposes only. Neither this publication nor the lawyers who authored it are rendering legal or other professional advice or opinions on specific facts or matters, nor does the distribution of this publication to any person constitute the establishment of an attorney-client relationship. Simpson Thacher & Bartlett LLP assumes no liability in connection with the use of this publication.

UNITED STATES

New York

425 Lexington Avenue
New York, NY 10017-3954
+1-212-455-2000

Houston

2 Houston Center – Suite 1475
Houston, TX 77010
+1-713-821-5650

Los Angeles

1999 Avenue of the Stars
Los Angeles, CA 90067
+1-310-407-7500

Palo Alto

2550 Hanover Street
Palo Alto, CA 94304
+1-650-251-5000

Washington, D.C.

1155 F Street, N.W.
Washington, D.C. 20004
+1-202-636-5500

EUROPE

London

CityPoint
One Ropemaker Street
London EC2Y 9HU
England
+44-(0)20-7275-6500

ASIA

Beijing

3919 China World Tower
1 Jian Guo Men Wai Avenue
Beijing 100004
China
+86-10-5965-2999

Hong Kong

ICBC Tower
3 Garden Road, Central
Hong Kong
+852-2514-7600

Tokyo

Ark Mori Building
12-32, Akasaka 1-Chome
Minato-Ku, Tokyo 107-6037
Japan
+81-3-5562-6200

SOUTH AMERICA

São Paulo

Av. Presidente Juscelino Kubitschek, 1455
12th Floor, Suite 121
São Paulo, SP 04543-011
Brazil
+55-11-3546-1000