

Clients & Friends Alert

FTC Announces 2025 Thresholds for Merger Control Filings under HSR Act and Interlocking Directorates under the Clayton Act

January 13, 2025

The Federal Trade Commission (“FTC”) has [increased](#) the dollar jurisdictional thresholds necessary to trigger the reporting requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (“HSR Act”), and the dollar value of each of the six filing fee thresholds; the revised thresholds will become effective thirty days after their publication in the Federal Register. (In October 2024, the Federal Trade Commission [announced](#) the [expansion](#) of the information and documentary attachments required to complete the Premerger Notification Form.¹ The expanded filing requirements will be effective as of February 10, 2025.)

The FTC also [increased](#) the thresholds for interlocking directorates under Section 8 of the Clayton Act; these revised thresholds will be in effect as of the date of their publication in the Federal Register.

Revised HSR Thresholds

Under the HSR Act, parties involved in proposed mergers, acquisitions of voting securities, unincorporated interests or assets, or other business combinations (*e.g.*, joint ventures, exclusive license deals) that meet certain thresholds must report the proposed transaction to the FTC and the Antitrust Division of the U.S. Department of Justice (“DOJ”) unless an exemption applies. The parties to a proposed transaction that requires notification under the HSR Act must observe a statutorily prescribed waiting period (generally thirty days) before closing. Under the revised thresholds, transactions valued at **\$126.4 million** or less are not reportable under the HSR Act.

A transaction closing on or after the date that the revised thresholds become effective may be reportable if it meets the following revised criteria:

¹ See Bilal Sayyed, [FTC Substantially Expands HSR Merger Notification Form's Information and Documentary Requirements; Promises the Return of Early Termination](#) (Quorum Newsletter, Oct. 2024).

Size-of-Transaction Test	<p>The acquiring person will hold, as a result of the transaction, an aggregate total amount of voting securities, unincorporated interests, or assets of the acquired person valued in excess of \$505.8 million;</p> <p><i>or</i></p> <p>The acquiring person will hold, as a result of the transaction, an aggregate total amount of voting securities, unincorporated interests, or assets of the acquired person valued in excess of \$126.4 million but not more than \$505.8 million, <u>and</u> the Size-of-Person thresholds below are met.</p>
Size-of-Person Test	<p>One party (including the party's ultimate parent entity and its controlled subsidiaries) has at least \$252.9 million in total assets or annual sales, and the other has at least \$25.3 million in total assets or annual sales.</p>

The full list of the revised thresholds is as follows:

Original Threshold	2024 Threshold	2025 Revised Threshold
\$10 million	\$23.9 million	\$25.3 million
\$50 million	\$119.5 million	\$126.4 million
\$100 million	\$239 million	\$252.9 million
\$110 million	\$262.9 million	\$278.2 million
\$200 million	\$478 million	\$505.8 million
\$500 million	\$1.195 billion	\$1.264 billion
\$1 billion	\$2.390 billion	\$2.529 billion

The filing fees for reportable transactions and the six filing fee tiers have also been updated, as follows:

Filing Fee	Size of Transaction under the Act
\$30,000	For transactions valued at more than \$126.4 million but less than \$179.4 million
\$105,000	For transactions valued at \$179.4 million or greater but less than \$555.5 million
\$265,000	For transactions valued at \$555.5 million or greater but less than \$1.111 billion
\$425,000	For transactions valued at \$1.111 billion or greater but less than \$2.222 billion
\$850,000	For transactions valued at \$2.222 billion or greater but less than \$5.555 billion
\$2,390,000	For transactions valued at \$5.555 billion or more

The filing fee tiers, introduced in 2023, are adjusted annually to reflect changes in the GNP for the previous year.

The HSR Act's dollar thresholds are only part of the analysis to determine whether a particular transaction must be reported to the FTC and DOJ; a full analysis requires consideration of exemptions to the filing requirements that may be available to an acquirer.

Revised Thresholds for Interlocking Directorates

Section 8 of the Clayton Act prohibits one person from simultaneously serving as an officer or director of two corporations if: (1) each of the "interlocked" corporations has combined capital, surplus, and undivided profits of more than **\$51,380,000** (up from \$48,559,000); (2) each corporation is engaged in whole or in part in commerce; and (3) the corporations are "by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of any of the antitrust laws."²

² 15 U.S.C. § 19(a)(1)(B).

Section 8 provides several exemptions from the prohibition on interlocks for arrangements where the competitive overlaps “are too small to have competitive significance in the vast majority of situations.”³ A corporate interlock does not violate the statute if (1) the competitive sales of either corporation are less than **\$5,138,000** (up from \$4,855,900); (2) the competitive sales of either corporation are less than 2 percent of that corporation’s total sales; or (3) the competitive sales of each corporation are less than 4 percent of that corporation’s total sales. The DOJ has been active recently in identifying and achieving remediation of interlocks that may violate Section 8.⁴

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If you have any questions about this memorandum or any HSR reportability questions, please contact Bilal Sayyed from Cadwalader’s Antitrust Group.

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³ S. REP. NO. 101-286, at 5-6 (1990), *reprinted in* 1990 U.S.C.C.A.N. 4100, 4103-04.

⁴ See Bilal Sayyed, [The Biden Administration’s “Extensive Review of Interlocking Directorates Across the Entire Economy” May Put Your Board Representation at Risk](#) (May 3, 2024).