

Potential Hart-Scott-Rodino Changes on the Horizon

Antitrust Byte

July 6, 2023 | Publications

For the first time in 45 years, the U.S. Department of Justice (DOJ) and Federal Trade Commission (FTC) are pursuing an overhaul of the Hart-Scott-Rodino (HSR) filing rules.

As you may be aware, HSR filings are required before certain large transactions are permitted to close. The required filing is designed to provide information about the proposed transaction and the parties involved. The DOJ and FTC then evaluate those filings for potential antitrust issues associated with the transaction before the deal's consummation.

The [proposed changes](#) would dramatically increase the amount of information that must be provided as part of an HSR filing. The types of new information that could be required if the proposed rules are adopted include:

- a description of the ownership structure of the entity making the filing;
- a listing of all current directors, officers, and board advisors, as well as anyone who has served in those positions in the previous two years;
- a listing of all other entities that every officer, director, and board advisor currently serves or has served in the previous two years;
- a description of the transaction's rationale;
- a horizontal overlap narrative;
- a supply relationship narrative; and
- labor market information.

People



E. John Steren
Member of the Firm
Antitrust
Washington, DC
202-861-1825
esteren@ebglaw.com



Patricia (Trish) M. Wagner
General Counsel / Chief Privacy Officer
Antitrust
Washington, DC
202-861-4182
pwagner@ebglaw.com

The enforcement agencies believe the proposed changes are necessary because the “information currently collected by the [filing] is insufficient for the Agencies to conduct an effective and efficient initial evaluation of a transaction’s likely competitive impact. . . .” The preamble of the proposed rule estimates that the new filing requirements will, on average, nearly triple the amount of time needed to complete an HSR filing.

It remains to be seen if these proposed rules will be adopted, but the enforcement agencies’ efforts to step up antitrust enforcement appear here to stay. The proposed rule changes were released for publication in the *Federal Register* on June 27. The public comment period will remain open for 60 days, and it is expected that final rules may not be completed for several months.

* * *

For additional information about the issues discussed above, or if you have any other [antitrust concerns](#), please contact the Epstein Becker Green attorney who regularly handles your legal matters, or one of the authors of this *Antitrust Byte*:

E. John Steren

Member of the Firm

esteren@ebglaw.com **Patricia Wagner**

General Counsel / Chief Privacy Officer

pwagner@ebglaw.com **Jeremy Morris**

Member of the Firm

jmorris@ebglaw.com



Jeremy R. Morris
Member of the Firm
Antitrust
Columbus
614-872-2417
JMorris@ebglaw.com

Focus Areas

Services

Antitrust

Health Care

Health Care Mergers and
Acquisitions

Mergers, Acquisitions &
Divestitures

Industries

Health Care Industry

Hospitals and Health Systems

Life Sciences Industry

Pharmaceuticals