

Insights

U.S. ANTITRUST AGENCIES SUSPEND EARLY TERMINATION OF MERGER REVIEW WAITING PERIODS

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SUMMARY

Today, the U.S. antitrust agencies announced a temporary suspension of the long-time practice of granting “early termination” of required premerger waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act (the “HSR Act”).

Historically, the agencies have granted early termination of the premerger waiting periods for transactions with no significant antitrust concerns. The Federal Trade Commission and U.S. Department of Justice Antitrust Division advised in a joint press release that they will be reviewing the early termination procedures and process, and no early terminations will be granted pending the completion of their review. Reasons cited for the temporary suspension and review included the transition to a new administration, high volumes of merger filings received to date in 2021, and the ongoing pandemic. The agencies employed a similar temporary suspension of early termination grants during March 2020, when they first implemented their temporary e-filing system in response to the pandemic. That suspension lasted less than three weeks.

Until this policy changes, parties to HSR-reportable transactions will need to ensure that they allow the time for the HSR waiting period (usually 30 days) between premerger filing and closing. Please reach out to any of us for a detailed review of how this policy would affect a proposed transaction.

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- Antitrust

MEET THE TEAM



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