

HSR and Antitrust

Economic Analyses for Premerger Notifications

New HSR requirements, taking effect in January 2025, will significantly expand the set of information shared during the premerger notifications, increasing the need to submit data-driven economic evidence of efficiencies. FTI Consulting's antitrust and competition team combines academic expertise with practical industry experience to help clients navigate these enhanced disclosure requirements.

— KEY SERVICES

Economic analysis in support of the new transaction rationale requirement and the examination of the pro-competitive effects of a merger:

- Examination of efficiency claims
- Consumer pass-through analysis
- Scenario modeling



New HSR Rule Requirements & Our Solutions

The FTC's new Hart-Scott-Rodino ("HSR") Rule introduces significant changes to premerger notifications.¹ Key changes require:

- Detailed transaction rationale with supporting documentation.
- Economic evidence for any claims of pro-competitive effects, including merger-specific synergies and efficiencies.

The economics team at FTI Consulting can provide clients with economic analysis to assist with their premerger disclosures, including:



Analysis of Demand, Cost, and Innovation Efficiencies

- Analysis of merger-specific cost savings.
- Benchmarking analysis of similar industry mergers.
- Evaluation of how the efficiencies are likely to be weighed against the price effects.
- R&D and innovation synergy assessment.
- Vertical integration efficiency analysis.



Consumer Pass-Through Analysis

- Econometric modeling of consumer pass-through rates.



Simulation Models

- Simulations of post-merger outcomes.
- Probability analysis for price effects.

— STRATEGIC ADVISORY SERVICES

Our team can also provide privileged consulting services on:

- Translation of business disclosures into market definition.
- Translation of business disclosures into competitive harm analysis.
- Cost efficiencies rebuttal against a competitive harm claim.



1 Federal Trade Commission, *Premerger Notification; Reporting and Waiting Period Requirements*, 16 CFR Parts 801 and 803, accessed on October 22, 2024 at: https://www.ftc.gov/system/files/ftc_gov/pdf/p110014hsrfinalrule.pdf.

RANDAL HEEB, PH.D.

Senior Managing Director
+1 703.785.9012
randal.heeb@fticonsulting.com

SELVIN AKKUS-CLEMENS, PH.D.

Managing Director
+1 240.814.8527
selvin.akkus-clemens@fticonsulting.com

MATTHEW HOELLE, PH.D.

Managing Director
+1 202.715.1587
matt.hoelle@fticonsulting.com

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