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## DOJ Challenges Non-HSR Reportable Transactions

On May 22, 2007, the Antitrust Division of the Department of Justice (the “DOJ”) filed a civil antitrust lawsuit challenging a series of 2004 transactions that eliminated competition between the only two daily newspapers in Charleston, West Virginia. The challenged transactions were not reportable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “HSR Act”), and the DOJ did not learn about the transactions until after they had been consummated. The DOJ’s lawsuit is a useful reminder that the DOJ and the Federal Trade Commission will investigate and prosecute transactions that fall below the HSR Act’s reporting thresholds or are otherwise exempt from the HSR Act’s notification and waiting period requirements, and that firms considering such transactions therefore need to evaluate their possible antitrust implications.

The DOJ’s lawsuit challenges a series of 2004 transactions that combined *The Charleston Gazette* and the *Charleston Daily Mail* under common ownership. Until 2004, Daily Gazette Company (owner of *The Charleston Gazette*) and MediaNews (owner of the *Charleston Daily Mail*) operated the two newspapers under a joint operating agreement. The DOJ’s complaint alleges that the 2004 transactions eliminated all remaining competition by consolidating the two newspapers under common ownership and control, violating Section 7 of the Clayton Act, as well as Sections 1 and 2 of the Sherman Act. The DOJ seeks an order requiring the parties to rescind their transactions and restore the *Charleston Daily Mail* to its pre-May 2004 competitive condition. (*U.S. v. Daily Gazette Company and MediaNews Group, Inc.* C.A. No. 2:07-0329, D. W. Va. May 22, 2007).

The HSR Act requires companies to notify and provide information to the DOJ and the Federal Trade Commission before consummating acquisitions that meet or exceed certain thresholds. The Federal Trade Commission revised the filing fee and jurisdictional thresholds of the HSR Act effective February 21, 2007. For a description of the revised thresholds, see *FTC Announces Revised Hart-Scott-Rodino Thresholds*, available at <http://www.paulweiss.com/resources/pubs/Detail.aspx?publication=1312>.

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This memorandum is not intended to provide legal advice and no legal or business decision should be based on its contents. Any questions concerning the foregoing should be addressed to any of the following members of our Antitrust Group:

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