the antitrust laws shall be construed to forbid
the existence and operation of labor, agricul-
tural, or horticultural organizations, instituted
for the purposes of mutual help, and not having
capital stock or conducted for profit, or to for-
bid or restrain individual members of such organ-
izations from lawfully carrying out the legit-
imate objects thereof; nor shall such organiza-
tions, or the members thereof, be held or con-
strued to be illegal combinations or conspiracies
in restraint of trade, under the antitrust laws.

(Oct. 15, 1914, ch. 323, § 6, 38 Stat. 731.)

REFERENCES IN TEXT

The antitrust laws, referred to in text, are defined
in section 12 of this title.

§ 18. Acquisition by one corporation of stock of
another

No person engaged in commerce or in any ac-
tivity affecting commerce shall acquire, directly
or indirectly, the whole or any part of the stock
or other share capital and no person subject to
the jurisdiction of the Federal Trade Commissi-
ion shall acquire the whole or any part of the
assets of another person engaged also in com-
tmerce or in any activity affecting commerce,
where in any line of commerce or in any activ-
ity affecting commerce in any section of the
country, the effect of such acquisition may be
substantially to lessen competition, or to tend
to create a monopoly.

No person shall acquire, directly or indirectly,
the whole or any part of the stock or other share
capital and no person subject to the jurisdic-
tion of the Federal Trade Commission shall acquire
the whole or any part of the assets of one or
more persons engaged in commerce or in any ac-
tivity affecting commerce, where in any line of
commerce or in any activity affecting commerce
in any section of the country, the effect of such
acquisition, of such stocks or assets, or of the
use of such stock by the voting or granting of
proxies or otherwise, may be substantially to
lessen competition, or to tend to create a monop-
opoly.

This section shall not apply to persons pur-
chasing such stock solely for investment and
not using the same by voting or otherwise to
bring about, or in attempting to bring about,
the substantial lessening of competition. Nor
shall anything contained in this section prevent
a corporation engaged in commerce or in any ac-
tivity affecting commerce from causing the for-
modation of subsidiary corporations for the actual
carrying on of their immediate lawful business,
or the natural and legitimate branches or exten-
sions thereof, or from owning and holding all or
a part of the stock of such subsidiary corpora-
tions, when the effect of such formation is not
to substantially lessen competition.

Nor shall anything herein contained be con-
strued to prohibit any common carrier subject
to the laws to regulate commerce from aiding in
the construction of branches or short lines so lo-
cated as to become feeders to the main lines of
the company so aiding in such construction or
from acquiring or owning all or any part of the
stock of such branch lines, nor to prevent any
such common carrier from acquiring and owning
all or any part of the stock of a branch or short
line constructed by an independent company
where there is no substantial competition be-
tween the company owning the branch line so
constructed and the company owning the main
line acquiring the property or an interest there-
in, nor to prevent such common carrier from ex-
tending any of its lines through the medium of
the acquisition of stock or otherwise of any
other common carrier where there is no substan-
tial competition between the company extend-
ing its lines and the company whose stock, prop-
erty, or an interest therein is so acquired.

Nothing contained in this section shall be held
to affect or impair any right heretofore legally
acquired; Provided, That nothing in this section
shall be held or construed to authorize or make
lawful anything heretofore prohibited or made
illegal by the antitrust laws, nor to exempt any
person from the penal provisions thereof or the
civil remedies therein provided.

Nothing contained in this section shall apply
to transactions duly consummated pursuant to
authority given by the Secretary of Transpor-
tation, Federal Power Commission, Surface
Transportation Board, the Securities and Ex-
change Commission in the exercise of its juris-
diction under section 79j of this title; the
United States Maritime Commission, or the Sec-
retary of Agriculture under any statutory provi-
sion vesting such power in such Commission,
Board, or Secretary.

(Oct. 15, 1914, ch. 323, § 7, 38 Stat. 731; Dec. 29,
1950, ch. 1184, 64 Stat. 1125; Pub. L. 96–349, § 6(a),
Sept. 12, 1980, 94 Stat. 1157; Pub. L. 98–443, §9(b),
143.)

REFERENCES IN TEXT

Section 79j of this title, referred to in text, was re-
pelled by Pub. L. 109–58, title XII, §1263, Aug. 8, 2005, 119
Stat. 974.

AMENDMENTS

1996—Pub. L. 104–104, in sixth par., struck out “Fed-
eral Communications Commission,” after “Secretary of
Transportation,”.

1995—Pub. L. 104–88, in sixth par., substituted “Sur-
face Transportation Board” for “Interstate Commerce
Commission” and inserted “Board,” after “vesting
such power in such Commission.”

1984—Pub. L. 98–443 substituted “Secretary of Trans-
portation” for “Civil Aeronautics Board” and “Com-
mission or Secretary” for “Commission, Secretary, or
Board” in sixth par.

1980—Pub. L. 96–349, substituted “person” for “cor-
poration” wherever appearing in first and second pars.;
substituted “persons” for “corporations” in second par.
and first sentence of third par.; and inserted “or in any
activity affecting commerce” after “commerce” where-
ever appearing in first, second, and third pars.

1950—Act Dec. 29, 1950, amended section generally so
as to prohibit the acquisition of the whole or any part
of the assets of another corporation when the effect of
the acquisition may substantially lessen competition
or tend to create a monopoly.

EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by Pub. L. 104–88 effective Jan. 1, 1996,
see section 2 of Pub. L. 104–88, set out as an Effective
Date note under section 701 of Title 49, Transportation.

1See References in Text note below.
(1) the acquiring person, or the person whose voting securities or assets are being acquired, is engaged in commerce or in any activity affecting commerce; and

(2) as a result of such acquisition, the acquiring person would hold an aggregate total amount of the voting securities and assets of the acquired person—

(A) in excess of $200,000,000 (as adjusted and published for each fiscal year beginning after September 30, 2003); or

(B) in excess of $50,000,000 (as so adjusted and published) but not in excess of $200,000,000 (as so adjusted and published); and

(ii)(I) any voting securities or assets of a person engaged in manufacturing which has total assets or annual net sales of $100,000,000 (as so adjusted and published) or more are being acquired by any person which has total assets or annual net sales of $10,000,000 (as so adjusted and published) or more; or

(II) any voting securities or assets of a person engaged in manufacturing which has total assets or annual net sales of $100,000,000 (as so adjusted and published) or more are being acquired by any person with total assets or annual net sales of $10,000,000 (as so adjusted and published) or more; or

(III) any voting securities or assets of a person with annual net sales or total assets of $100,000,000 (as so adjusted and published) or more are being acquired by any person with total assets or annual net sales of $10,000,000 (as so adjusted and published) or more.

In the case of a tender offer, the person whose voting securities are sought to be acquired by a person required to file notification under this subsection shall file notification pursuant to rules under subsection (d) of this section.

(b) Waiting period; publication; voting securities

(1) The waiting period required under subsection (a) of this section shall—

(A) begin on the date of the receipt by the Federal Trade Commission and the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice (hereinafter referred to in this section as the “Assistant Attorney General”) of—

(i) the completed notification required under subsection (a) of this section, or

(ii) if such notification is not completed, the notification to the extent completed and a statement of the reasons for such non-compliance,

from both persons, or in the case of a tender offer, the acquiring person; and

(B) end on the thirty-first day after the date of such receipt (or in the case of a cash tender offer, the fifteenth day), or on such later date as may be set under subsection (e)(2) or (g)(2) of this section.

(2) The Federal Trade Commission and the Assistant Attorney General may, in individual