

May 26, 2026

Andrew N. Ferguson
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Omeed Assefi
Acting Assistant Attorney General
Antitrust Division of the U.S. Department of Justice
950 Pennsylvania Avenue NW
Washington, DC 20530

Re: Request for Information on Hart-Scott-Rodino Premerger Notification, Reporting and Waiting Period Requirements

Dear Chairman Ferguson and Acting Assistant Attorney General Assefi:

The U.S. Black Chambers, Inc. (“USBC”) respectfully submits these comments in response to the Federal Trade Commission and Department of Justice Request for Information regarding Hart-Scott-Rodino (“HSR”) premerger notification requirements and related merger review policies.

USBC represents 175 affiliate chambers of commerce and more than 365,000 Black-owned businesses across the United States. In August 2025, USBC published a white paper entitled *Unlocking Black Wealth Through Mergers and Acquisitions*, examining the structural barriers preventing Black business owners from participating fully in the mergers and acquisitions (“M&A”) ecosystem. We submit these comments because the issues raised in this RFI directly intersect with the findings and concerns identified in that research.

The FTC’s mission is to vigorously enforce the law to protect Americans from anticompetitive, unfair, and deceptive business practices without unduly burdening legitimate business activity. In light of that mandate, USBC frames its comments around a principle that is often overlooked in merger policy discussions: actions that chill lawful merger and acquisition activity among micro-businesses and Main Street firms may, in practice, reduce competition rather than enhance it.

For many small and closely held businesses, particularly those operating below traditional institutional investment thresholds, mergers, acquisitions, and business succession transactions are not mechanisms for market dominance or consolidation. Rather, they are often the primary pathways through which businesses survive, preserve jobs, attract investment, achieve scale, and remain competitive against significantly larger incumbents with superior access to capital, technology, distribution networks, and regulatory resources.

When regulatory uncertainty, increased transaction costs, expanded compliance expectations, or financing restrictions discourage these transactions, the likely outcome is not greater competition,

but fewer viable competitors in the marketplace. This concern is particularly acute within the micro-business and Main Street economy, where firms frequently rely on acquisition financing, SBA-backed lending, or strategic combinations to transition ownership and continue operations. In these markets, the failure of legitimate acquisition activity can result in business closures, loss of local ownership, workforce reductions, and increased concentration as market share shifts toward larger firms by default rather than through direct acquisition.

USBC therefore encourages the Agencies to carefully distinguish between transactions that may legitimately threaten competition and those that enable small businesses to remain economically viable participants in competitive markets. Policies that inadvertently suppress lawful and economically necessary M&A activity among smaller firms risk undermining entrepreneurship, weakening local economies, and accelerating the very concentration trends the antitrust laws are intended to prevent.

Accordingly, USBC frames its comments through the broader lens of preserving robust competition at all levels of the economy, including within the often-overlooked ecosystem of micro-businesses and lower-middle-market enterprises whose continued viability depends upon accessible and functional business transition markets.

I. The Structural Exclusion of Black-Owned Businesses from the M&A Economy

The United States stands at the threshold of the largest transfer of business ownership and entrepreneurial wealth in modern history. As Baby Boomer business owners retire, an estimated \$10 trillion in small business assets is expected to change hands over the next decade. This “Silver Tsunami” represents an enormous opportunity for business continuity, job preservation, and generational wealth creation. For Black-owned businesses and the communities they support, however, this opportunity risks remaining largely out of reach.

USBC’s research demonstrates that Black-owned businesses remain structurally excluded from meaningful participation in the M&A economy. Fewer than one percent of Black business owners report having engaged in mergers or acquisitions activity. Black-owned businesses represent only 2.4 percent of all employer firms in the United States despite Black Americans comprising approximately 14.4 percent of the national population. According to the Federal Reserve’s 2023 Small Business Credit Survey, only 41 percent of Black business owners received all of the financing they sought, compared to 68 percent of white business owners.

When USBC analyzed Census Bureau Annual Business Survey data across indicators associated with acquisition readiness — including workforce size, revenues exceeding \$1 million, and the presence of formal succession plans — Black-owned firms ranked near the bottom across nearly every measure.

These disparities are not incidental. They reflect longstanding structural barriers involving capital access, advisory networks, buyer connectivity, valuation support, and transaction readiness. Many Black-owned businesses operate without access to the legal, accounting, investment banking, and succession planning infrastructure routinely available to larger or better-capitalized

firms. As a result, business owners who have spent decades building economically viable enterprises are too often denied realistic pathways to monetize, transfer, preserve, or expand that value.

The broader succession crisis compounds these challenges. Approximately 60 percent of Baby Boomer business owners lack formal succession plans, and the percentage is even higher among Black-owned firms. Census Bureau Business Dynamics Statistics data further indicates that only approximately 25 percent of small businesses successfully transfer ownership, while the remaining 75 percent ultimately close rather than change hands. When businesses close instead of transferring ownership, communities lose jobs, local economies lose anchors, and generational wealth disappears rather than compounds.

II. The Main Street Gap in the Current Merger Policy Conversation

Most organizations participating in this proceeding are appropriately focused on the impact of HSR reporting requirements on venture-backed firms, institutional investors, technology companies, and transactions large enough to trigger HSR thresholds. Those concerns regarding compliance costs, transaction uncertainty, and regulatory burden are legitimate.

USBC, however, represents a different segment of the economy entirely. We represent the Main Street micro-business owner — the HVAC contractor with six employees, the multi-generational construction company, the neighborhood manufacturer, the restaurant operator, the local logistics provider, and the small professional services firm. These businesses will likely never file an HSR notification, and their transactions will never approach federal merger filing thresholds. Yet they represent the overwhelming majority of business ownership in many Black communities and form the foundation of local economic stability across the country.

The Census Bureau generally defines micro-businesses as firms with ten or fewer employees. This is the population at the center of our comments. These business owners frequently lack formal succession plans, acquisition advisors, valuation expertise, or even awareness that selling their business is a realistic option. Following publication of USBC's white paper, business owners routinely asked questions such as: "Can I actually sell my business?" "Who would buy it?" and "How is my business valued?" These are not hypothetical concerns. They reflect profound structural gaps in the business succession ecosystem.

Although these businesses operate below HSR thresholds, broader merger policy still affects them. Regulatory posture at the top of the market influences deal culture throughout the broader business ecosystem. Increased transaction friction, uncertainty, or perceived hostility toward M&A activity can ripple through regional banks, SBA lenders, business brokers, investment advisors, and financing institutions that support Main Street acquisitions. A predictable, transparent, and proportionate merger review environment therefore matters even to businesses that never directly interact with the HSR process.

III. SBA Financing, Buyer Pool Compression, and Competition

USBC also wishes to highlight a specific and underreported issue affecting business succession and competitive growth within the Main Street economy.

For transactions involving businesses valued below approximately \$10 million, SBA-backed lending programs are often the primary financing mechanism supporting acquisitions and business combinations. In practical terms, the buyer pool for many small business transactions depends heavily on access to SBA financing. Without it, many transactions simply do not occur.

Importantly, these transactions are frequently not large-scale consolidations, but rather strategic acquisitions and combinations that allow smaller firms to achieve the scale, operational sophistication, geographic reach, and capitalization necessary to compete against significantly larger market participants.

In many industries, smaller and minority-owned firms remain fragmented and undercapitalized, limiting their ability to compete for larger contracts, invest in technology, expand regionally, or withstand competitive pressures from dominant national firms. Main Street mergers and acquisitions often provide one of the only realistic pathways for these businesses to grow into stronger local and regional competitors. Many of these transactions fall far below any threshold that would trigger extensive HSR scrutiny, reflecting their role as pro-competitive growth transactions rather than market-concentrating mega-mergers.

Recent changes affecting SBA loan eligibility requirements have materially compressed portions of the eligible buyer pool for Main Street acquisitions. During direct discussions between USBC leadership and the SBA Office of Capital Access, agency officials acknowledged that certain eligibility changes created unintended consequences affecting business succession transactions.

When fewer buyers qualify for financing, business owners face lower valuations, longer exit timelines, and reduced likelihood of successfully transferring ownership. More importantly, restrictions on financing reduce opportunities for smaller firms to combine and scale into stronger competitors capable of challenging entrenched incumbents. In many cases, otherwise viable businesses ultimately close rather than transition into new ownership or merge into stronger operating platforms.

USBC encourages the Agencies to recognize that the health of the broader M&A ecosystem cannot be evaluated solely through the lens of reportable transactions or institutional dealmaking. The financing infrastructure supporting Main Street acquisitions is equally important to preserving entrepreneurship, strengthening regional competition, supporting employment, expanding supplier diversity, and enabling smaller firms to develop the scale necessary to compete effectively in modern markets.

IV. Building a Healthy and Inclusive Business Succession Environment

USBC agrees with the broader principle articulated by current agency leadership that merger review policy should avoid unnecessarily obstructing lawful and economically productive transactions. Healthy M&A activity can drive innovation, efficiency, capital formation, business

continuity, and competition. We therefore support efforts to ensure that merger review remains targeted, transparent, and proportionate to genuine competitive concerns.

At the same time, the absence of regulatory barriers alone will not resolve the structural gaps facing minority-owned businesses. A healthy M&A environment also requires financing pathways, technical assistance, acquisition readiness infrastructure, and succession planning support that allow small businesses to participate meaningfully as both buyers and sellers.

Accordingly, USBC urges the Agencies to recognize the micro-business succession ecosystem as a distinct and policy-relevant segment of the broader M&A economy and to coordinate with other federal stakeholders, including the SBA, to strengthen that ecosystem.

Specifically, USBC encourages consideration of:

- expanded outreach and technical assistance programs focused on acquisition readiness, valuation education, and succession planning for minority-owned businesses;
- regulatory clarity and predictable merger review standards that avoid chilling legitimate business transfers and acquisitions; and
- recognition that the “Silver Tsunami” represents not only a generational transition challenge, but also a racial wealth gap issue with long-term implications for economic mobility and community stability.

USBC also wishes to draw the Agencies’ attention to legislative activity moving in precisely this direction. The bipartisan *Improving SBA Engagement on Employee Ownership Act*, introduced by Reps. LaMonica McIver and Rob Bresnahan, passed unanimously out of the House Small Business Committee in November. The bill would direct the SBA to expand outreach and technical assistance for employee stock ownership plans, worker cooperatives, and other employee-ownership succession structures while extending SBIC program resources to support such transactions.

USBC supported this legislation because it reflects a growing bipartisan recognition that the succession ecosystem for small and minority-owned businesses requires active and targeted support, not merely the removal of regulatory obstacles. The Agencies’ approach to merger review policy should be consistent with that broader congressional direction.

Finally, we note that Question 5 of this RFI asks whether certain categories of transactions not currently exempt from the HSR Act are less likely to raise competitive concerns. We believe that transactions in the micro-business segment — particularly those involving firms with ten or fewer employees and transaction values well below any conceivable HSR threshold — represent precisely the type of categorically benign economic activity that the Agencies’ own stated framework should avoid impeding.

While these transactions do not currently trigger HSR filing requirements, the regulatory climate surrounding the HSR process nevertheless shapes the broader M&A environment in ways that materially affect smaller businesses. Transaction markets do not operate in isolated tiers. Changes in enforcement posture, increased review burdens, heightened uncertainty, or expanded compliance expectations influence lender behavior, buyer confidence, legal costs, and investment

decisions throughout the deal ecosystem, including transactions far below formal reporting thresholds.

We respectfully ask the Agencies to explicitly acknowledge that micro-business transactions involving very small firms and transaction values far below HSR thresholds are categorically unlikely to raise meaningful competitive concerns and that merger review policy should be calibrated to avoid chilling this critical segment of the American economy.

V. Conclusion

USBC has spent the past year building a public record connecting M&A participation, business succession, and Black wealth creation. Through our policy work, direct member engagement, and conversations with federal agencies, we have developed a clear understanding of what is at stake for Black-owned businesses during this historic ownership transition period.

For our membership, the Silver Tsunami is not an abstract economic trend. It is the moment when business owners will determine whether decades of work become transferable generational assets or disappear entirely through closure and liquidation. A healthy and competitive M&A environment is one in which small and minority-owned businesses can realistically participate as buyers, sellers, and builders of long-term wealth.

That environment does not fully exist today. However, thoughtful policy, coordinated federal engagement, and intentional investment in the business succession ecosystem can help create it.

USBC appreciates the Agencies' willingness to solicit public input and welcomes continued engagement on these issues.

Respectfully,

Ronald Busby, Sr.
President & CEO
U.S. Black Chambers, Inc.