



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

After Staples and Office Depot Abandon Proposed Merger FTC Dismisses Case from Administrative Trial Process

FOR RELEASE

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Following the decision last week by Staples and Office Depot to abandon their proposed merger, the Federal Trade Commission has dismissed its case challenging the transaction before the Commission's administrative trial process. In light of those events, FTC Chairwoman Edith Ramirez issued the following statement:

"This outcome bodes well for business customers in the market for office supplies. These customers will continue to reap the benefits of the direct competition between Staples and Office Depot, which would have been eliminated if the top two suppliers had been allowed to merge."

The companies' decision to terminate the transaction came after a May 10, 2016 ruling by the U.S. District Court for the District of Columbia granting the FTC's request for a preliminary injunction.

In December 2015, the Commission challenged [Staples, Inc.'s proposed acquisition of Office Depot](#), alleging that the deal would violate the antitrust laws. According to the FTC complaint, many large business customers buy consumable office supplies – including pens, pencils, notepads, sticky notes, file folders, paper clips, and paper used for printers and copy machines – for their own use under a contract. Staples and Office Depot also typically provide a high level of service, including fast and reliable nationwide delivery, dedicated customer service, customized online catalogs, integration of procurement systems, and detailed utilization reports.

In the [district court's 75-page opinion](#) halting the deal, Judge Emmet G. Sullivan disagreed with the defendants' argument that Amazon Business and the "existing patchwork" of local and regional office supply companies would restore the lost competition.

"The evidence produced during the evidentiary hearing does not support the conclusion that Amazon Business will be in a position to restore competition lost by the proposed merger within three years," the judge wrote.

The administrative trial was scheduled to begin on May 31, 2016. Under FTC rules, a matter in the administrative trial process must be terminated before the FTC can formally close the investigation. The Commission's vote to dismiss the complaint was 3-0.

Staff would also like to thank their counterparts at [Canada's Competition Bureau](#) for their ongoing cooperation related to international competition enforcement matters.

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PRESS RELEASE REFERENCE:

[FTC Challenges Proposed Merger of Staples, Inc. and Office Depot, Inc.](#)

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