



## FEDERAL TRADE COMMISSION

### PROTECTING AMERICA'S CONSUMERS

# FTC Approves Modified Final Order Imposing Conditions on Northrop Grumman's Acquisition of Solid Rocket Motor Supplier Orbital ATK, Inc.

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Following a public comment period, the Federal Trade Commission has approved a [modified final order settling charges that Northrop Grumman's \\$7.8 billion acquisition](#) of aerospace and defense contractor Orbital ATK likely would be anticompetitive.

According to the [complaint, which was first announced in June 2018](#), the acquisition would provide Northrop with the incentive and ability to harm competition for missile contracts by either withholding access to its solid rocket motors (SRM) or increasing SRM prices to competitors.

Under the settlement, Northrop must make its solid rocket motors and related services available on a non-discriminatory basis to all competitors for missile contracts and must separate the operation of its SRM business from the rest of the company's operations with a firewall. The settlement also allows the Department of Defense to appoint a compliance officer to oversee Northrop's conduct related to the settlement.

Under the modified final order, certain technical corrections were made to clarify the order. These changes include:

In two places, the phrase "SRMs and Related Services" has replaced the phrase "SRM Products and Services."

The phrases "Non-Public SRM Information" and "Non-Public Missile Information" have been deleted from two paragraphs in the order where their use created ambiguity.

The Commission vote approving the final order was 4-0-1, with Commissioner Christine S. Wilson not participating. (The staff contact is James Southworth, Bureau of Competition, 202-326-2822)

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### PRESS RELEASE REFERENCE:

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