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**PRESS RELEASE**

# Justice Department Sues to Block Hewlett Packard Enterprise's Proposed \$14 Billion Acquisition of Rival Wireless Networking Technology Provider Juniper Networks

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Thursday, January 30, 2025

**For Immediate Release**

Office of Public Affairs

**Acquisition Would Eliminate Competition Between Two of the Three Top Wireless Networking Firms, Raise Prices, and Diminish Innovation for American Businesses**

**Note:** [View the complaint here.](#)

The Justice Department today sued to block Hewlett Packard Enterprise Co.'s (HPE) proposed \$14 billion acquisition of rival wireless local area network (WLAN) technology provider Juniper Networks Inc. (Juniper). HPE and Juniper are the second- and third-largest providers, respectively, of enterprise-grade WLAN solutions in the United States. The complaint, filed in the Northern District of California, alleges that the proposed transaction would eliminate fierce head-to-head competition between the companies, raise prices,

reduce innovation, and diminish choice for scores of American businesses and institutions, in violation of Section 7 of the Clayton Act.

“HPE and Juniper are successful companies. But rather than continue to compete as rivals in the WLAN marketplace, they seek to consolidate — increasing concentration in an already concentrated market,” said Acting Assistant Attorney General Omeed A. Assefi of the Justice Department's Antitrust Division. “The threat this merger poses is not theoretical. Vital industries in our country — including American hospitals and small businesses — rely on wireless networks to complete their missions. This proposed merger would significantly reduce competition and weaken innovation, resulting in large segments of the American economy paying more for less from wireless technology providers.”

WLAN technology — which includes hardware, software, and advanced artificial intelligence — is critical for the modern workplace. Millions of Americans today create and share company resources and access the internet from wireless-enabled devices. Retail employees wirelessly process payments and log inventory. Doctors access medical records on phones and tablets and track life-saving patient care on the go. University students take notes on their laptops and access course materials from their dorm rooms. Wireless networking is the primary means by which many employees connect to their employer's computer network and the internet.

As alleged in the complaint, Juniper has been a disruptive force that has grown rapidly from a minor player to among the three largest enterprise-grade WLAN suppliers in the U.S. Juniper has also introduced innovative tools that have materially decreased the cost of operating a wireless network for many customers. This competitive pressure has forced HPE to discount its offerings and invest in its own innovation. HPE recognized and tracked Juniper's growing significance and engaged in a campaign, including mandatory training for its engineers and salespeople, to “beat” Juniper when competing for contracts. Indeed, just a month before the proposed acquisition was announced, front-line HPE salespeople were concerned that “[t]he Juniper threat [was] dire” because in dozens of opportunities Juniper was “trying to unseat” HPE. Senior HPE executives shared this view; one former HPE executive reminded his team that “there are no rules in a street fight” with Juniper and encouraged them to “kill” Juniper when going head-to-head for sales opportunities.

Now, HPE seeks to acquire its smaller, innovative rival. The proposed transaction between HPE and Juniper, if allowed to proceed, would further consolidate an already highly concentrated market — and leave U. S. enterprises facing two companies commanding over 70% of the market: the post-merger HPE and market leader Cisco Systems Inc. This substantial lessening competition in a critically important technology market poses the precise threat that the Clayton Act was enacted to prevent.

Hewlett Packard Enterprise Company is headquartered in Spring, Texas. Its WLAN-focused business unit is located in Santa Clara, California.

Juniper Networks Inc. is headquartered in Sunnyvale, California.

*Updated January 30, 2025*

## Topic

**ANTITRUST**

## Component

[Antitrust Division](#)

Press Release Number: 25-120

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