# Horizontal Merger Investigation Data, Fiscal Years 1996-2003

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To promote transparency in merger enforcement, the Federal Trade Commission staff has reviewed its horizontal merger investigations during fiscal years 1996-2003. Specifically, the staff has tabulated certain market structure information as it relates to the Commission's decision whether or not to seek relief in the specific markets investigated.[1] The information presented in the attached tables has been extracted from contemporaneous Commission staff memoranda written at the time of each investigation to advise the Commission on its enforcement decision.[2] In addition, for a subset of these investigations (those with three or fewer markets), the staff also has tabulated the Commission's enforcement decisions based on the presence or absence of "hot documents" and "strong customer complaints" identified during the investigation.

The FTC issued HSR second requests in 281 mergers from fiscal years 1996 through 2003.[3] Because market shares and concentration are most relevant when evaluating horizontal competitive effects, omitted from the data are transactions, or individual markets, in which a challenge was based on other theories of competitive effects.[4] Thus, excluded from this data review were transactions for which the theory of competitive harm was concern about vertical control or monopsony power. Also excluded are transactions where the concern was elimination of potential, rather than actual, competition, as well as those transactions where the competitive concern stemmed from influence obtained through partial, rather than majority, ownership. Finally, the data review includes neither transactions where the investigation was ongoing as of October 1, 2003,

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[1]Because this review of horizontal merger investigations was limited to those matters in which a Request for Additional Information ("second request") was issued, this information does not reflect a random sample of merger transactions.

[2]The memos were reviewed independently by two staff reviewers, and any discrepancies in the information recorded by these reviewers was reconciled by a third staff reviewer.

[3]This number differs slightly from that reported in the FEDERAL TRADE COMMISSION AND DEPARTMENT OF JUSTICE ANNUAL REPORT TO CONGRESS ("HSR Report") because for a few transactions multiple second requests were issued.

[4]Table 1 provides information on the categorization of the 281 transactions.

nor investigations that were closed prior to the development of a complete record concerning market structure.[5]

## MARKET STRUCTURE VARIABLES

Data tables 3.1 through 4.6 provide information on market structure variables in the 151 horizontal merger investigations meeting the selection criteria described above. These 151 transactions involved 784 postulated relevant markets,[6] including markets in which relief was sought ("enforced")[7] and in which relief was not sought ("closed").[8]

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[5]Because some investigations were closed shortly after the issuance of a second request, market structure data sufficient to justify inclusion in this report may not have been collected for every case. For example, in some cases, Commission staff may have determined very quickly that the evidence obtained could not support the market definition postulated in the second request. Second request investigations closed upon the receipt of limited, but dispositive information, are categorized as "Quick Looks" in Table 1. For any transaction where complete information on market structure conditions was available, the transaction was included in this data review, regardless of how quickly the investigation may have been closed.

[6]Table 2 provides a frequency distribution of the number of cases involving multiple markets. Twelve matters in the oil industry account for 276 markets, and 14 matters in the grocery industry account for 152 markets. Thus, these two industries represent 17 percent of the cases and 55 percent of the markets in the data presented.

[7]"Enforced" includes situations when the parties to a merger abandoned the transaction after a full investigation.

[8]"Closed" cases include three instances where the Commission required non-structural relief: General Mills, Inc., Docket No. C-3742 (requiring elimination of non-compete provision and elimination of restrictions on transfer of manufacturing and sales rights for private label products) (Decision and Order, May 16, 1997); LaFarge, S.A., Docket No. C-3852 (requiring elimination of a contractual provision imposing significant cost penalty on LaFarge for quantities of cement produced in excess of 85% of acquired plant's capacity) (Decision and Order, Feb. 12,1999); and Provident Companies, Inc., Docket No. C-3894 (requiring merging

## Herfindahl-Hirschman Index & Change in the HHI

Table 3.1 presents data tabulations based on the Herfindahl-Hirschman Index (HHI) measure of market concentration,[9] the change in HHI (Delta)[10] for 780 markets, and the Commission's decision whether to seek relief.[11] Tables 3.2 through 3.6 present this information separately for the grocery industry; the oil industry; the chemical industry; the pharmaceutical industry; and "other" industries.

## Significant Competitors

A "significant competitor" is a firm whose independence could affect the ability of the merged firms to achieve an anticompetitive outcome.[12] For purposes of this data review, "significant competitor" has been defined in relation to the competitive effects theory that was the most plausible basis for the investigation.[13] When the primary concern was that the transaction would allow the remaining firms to coordinate their conduct, significant competitors have been defined as "required participants in the collusive group." When the primary concern was that

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firms to submit individual disability claims data to an independent entity that publishes actuarial tables, studies and reports) (Decision and Order, Sept. 3, 1999).

[9]The Herfindahl-Hirschman Index of market concentration consists of the sum of the squares of the market shares of the competitors in the relevant market.

[10]The change in the HHI measures the impact of a merger on market concentration, as measured by the market shares of the merged firms and their competitors.

[11]In a few instances for which market share information was not provided, we have imputed HHI and Delta information based on the number of firms operating in the market. There remain four markets for which we could not obtain reliable HHI and Delta information and these markets were dropped from the tabulations.

[12]The merging firms are always considered significant competitors.

[13]For a discussion of the main theories used in horizontal merger cases, see U.S. Department of Justice and Federal Trade Commission, Horizontal Merger Guidelines (revised April 8, 1997), §§ 2.1-2.2.

the transaction would result in the exercise of unilateral market power, significant competitors include those firms identified as "close rivals" (even if they may not be close enough to constrain a price increase),[14] as well as those that might reposition or otherwise affect the likelihood of an anticompetitive price increase. Data are available for 573 relevant markets.[15]

Table 4.1 presents information on the Commission's decision to seek relief along with information on the number of significant competitors in the market, both pre- and post-merger, assuming consummation of the transaction. Tables 4.2 through 4.6 present similar information, but separately by industry.

## HOT DOCUMENTS & CUSTOMER COMPLAINT DATA

Tables 5.1 through 8.2 provide information on the Commission's decision to seek relief in cases where the Commission staff identified one or more party documents clearly predicting merger-related anticompetitive effects ("hot documents") or where the Commission staff received "strongly credible" customer complaints about the likely anticompetitive effects of the transaction in one or more markets. For these two variables, a subset of the original sample of transactions was reviewed.

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[14]These firms usually have market shares in excess of 10%, but market shares are not determinative of significance. For example, in a particular market, a firm may have a low market share, having just entered the market with an innovative product. Nevertheless, that firm would be considered a significant competitor if it had the ability to constrain the merged firm's behavior. In other situations, the definition of a significant competitor may rely on a firm's ability to expand output to defeat a price increase; existing market shares may be a poor predictor of that ability.

[15]Significant competitor information is not available for 211 markets; 198 of these markets are in the oil industry.

## Hot Documents

Data on "hot documents[16]" were collected for all fully-investigated transactions involving three or fewer relevant markets. This subset consists of 93 cases, involving 128 markets.[17] Table 5.1 presents the HHI and the Delta, together with the decision whether or not to seek relief, for markets in which Commission staff identified hot documents. Table 5.2 presents the same information for markets where no hot documents were identified. Tables 6.1 and 6.2 provide information on the number of significant competitors and the decision to seek relief for markets in which staff had or had not identified hot documents, respectively.

## Customer Complaints

Data on the strength of customer reaction to the merger are presented in Tables 7.1 through 8.2. Customer reaction has been recorded as a "strong customer complaint" where customers expressed a credible concern that a significant anticompetitive effect would result were the transaction allowed to

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[16]A document is "hot" if it predicts that the merger will produce an adverse price or non-price effect on competition. The most obvious situation involves acquiring party documents that predict a price effect stemming from the merger. The price effect is not necessarily quantified and may be qualified by the use of words such as "likely"or "possible." In a slightly less obvious situation, a document may indicate that the recent entry of the acquired party blocked the incumbent's plans to raise price, instead forcing a small but significant price reduction. On occasion, the evidence relates to non-price competition, for example, when the documents indicate a merger might delay the acquiring firm's need to add capacity. Documentary recognition of close competition between the merging parties is not sufficient to qualify for "hot document" status, because a range of other factors could preclude a price effect.

[17]The number of transactions in this subset represents 62% of the transactions reviewed. By industry, the review involved approximately 17% of the oil industry transactions, 29% of the grocery industry transactions, 64% of the chemical transactions, 78% of the pharmaceutical transactions, and 71% of the "other" industry transactions.

proceed. All other customer reactions (i.e., weak or non-credible complaints, no reaction, support for the transaction) have been recorded as "no strong customer complaint."[18]

Data on whether or not there were "strong customer complaints" was collected for all transactions involving the investigation of three or fewer markets, provided that these markets were not purely retail.[19] This subset consisted of 87 cases, involving 116 markets.[20] Table 7.1 presents HHI and Delta information, together with the decision whether or not to seek relief, for cases where "strong customer complaints" were received. Table 7.2 presents the same information for cases where no "strong customer complaints" were received. Tables 8.1 and 8.2 are the corresponding tables reflecting the number of significant competitors, the decision whether or not to seek relief, and whether any "strong customer complaints" were received, respectively.

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[18]This variable is influenced, but not controlled, by information on customer neutrality toward or support of the transaction. Multiple customers are contacted during an investigation. To the extent that neutral or favorable customer feedback by some customers caused the staff to question the credibility of the concerns by other customers, the customer opinion variable has not been coded as "strong." However, mere differences of opinion among customers generally are not sufficient to undermine a clear complaint.

[19]These data do not include mergers involving a combination at the purely retail level of distribution; i.e., grocery stores, funeral homes, and cable television providers. Retail mergers are not expected to produce strong customer complaints because customers are small and dispersed. However, other retailing-related markets have been retained in the sample where a market intermediary existed to advance consumer interests. For example, in the acute care hospital business, where health insurance providers effectively shop for hospital services on behalf of their individual enrollees, the opinions of insurers often are viewed as a reasonable proxy for consumer opinions.

[20]The number of transactions in this subset represents 58% of the transactions reviewed. By industry, the review involved approximately 17% of the oil industry transactions, 64% of the chemical transactions, 78% of the pharmaceutical transactions, and 69% of the "other" industry transactions.

## Table 1

## HSR Second Requests During Fiscal Years 1996-2003
## Categorized by Nature of Transaction and Theory of Potential Violation

| Nature of Transaction | Number of Second Requests |
|---|---|
| Horizontal Theory | 151 |
| Vertical Theory | 17 |
| Potential Competition Theory | 12 |
| Buyer Power (Monopsony) Theory | 8 |
| Joint Venture | 3 |
| Miscellaneous | 3 |
| Filing Withdrawn by Parties During the Investigation | 54 |
| Closed after a Quick Look | 26 |
| Investigation Open as of October 1, 2003 | 7 |
| **Total** | **281** |

## Table 2

## FTC Merger Investigations During Fiscal Years 1996 - 2003
## Categorized by Number of Relevant Markets

| Number of Relevant Markets in the Investigation | Number of Mergers | Total Relevant Markets |
|---|---|---|
| 1 | 78 | 78 |
| 2 - 4 | 38 | 106 |
| 5 - 15 | 26 | 192 |
| 16 - 50 | 5 | 134 |
| 50 + | 4 | 274 |
| Total | 151 | 784 |

## Table 3.1

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## All Markets
### FY 1996 through FY 2003

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/14 | 17/20 | 18/8 | 17/4 | 3/2 | 0/1 | 0/0 | 0/0 | ***55/49*** |
| | **1,800 - 1,999** | 0/4 | 5/4 | 5/3 | 12/1 | 12/2 | 0/0 | 0/0 | 0/0 | ***34/14*** |
| | **2,000 - 2,399** | 1/1 | 1/5 | 7/4 | 22/11 | 31/8 | 1/1 | 0/0 | 0/0 | ***63/30*** |
| | **2,400 - 2,999** | 1/1 | 4/1 | 4/3 | 13/4 | 41/11 | 25/3 | 0/0 | 0/0 | ***88/23*** |
| | **3,000 - 3,999** | 0/2 | 2/2 | 3/1 | 6/1 | 15/6 | 49/11 | 28/7 | 0/0 | ***103/30*** |
| | **4,000 - 4,999** | 0/0 | 0/2 | 1/1 | 3/0 | 8/1 | 6/0 | 42/2 | 0/0 | ***60/6*** |
| | **5,000 - 6,999** | 0/0 | 2/0 | 3/2 | 3/1 | 6/0 | 7/1 | 63/12 | 20/2 | ***104/18*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 1/0 | 2/0 | 5/0 | 11/1 | 81/2 | ***100/3*** |
| | ***TOTAL*** | ***2/22*** | ***31/34*** | ***41/22*** | ***77/22*** | ***118/30*** | ***93/17*** | ***144/22*** | ***101/4*** | ***607/173*** |

## Table 3.2

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## Grocery Markets
### FY 1996 through FY 2003

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **1,800 - 1,999** | 0/0 | 0/1 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/1*** |
| | **2,000 - 2,399** | 0/0 | 0/3 | 1/2 | 6/2 | 5/0 | 0/0 | 0/0 | 0/0 | ***12/7*** |
| | **2,400 - 2,999** | 1/1 | 3/0 | 3/0 | 5/3 | 14/1 | 5/0 | 0/0 | 0/0 | ***31/5*** |
| | **3,000 - 3,999** | 0/2 | 1/1 | 1/0 | 2/0 | 9/2 | 13/1 | 8/0 | 0/0 | ***34/6*** |
| | **4,000 - 4,999** | 0/0 | 0/0 | 0/0 | 1/0 | 2/0 | 1/0 | 21/1 | 0/0 | ***25/1*** |
| | **5,000 - 6,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/1 | 10/1 | 7/1 | ***17/3*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 1/0 | 9/0 | ***10/0*** |
| | ***TOTAL*** | ***1/3*** | ***4/5*** | ***5/2*** | ***14/5*** | ***30/3*** | ***19/2*** | ***40/2*** | ***16/1*** | ***129/23*** |

## Table 3.3

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## Oil Markets
### FY 1996 through FY 2003

### Enforced/Closed

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/14 | 17/17 | 18/6 | 17/2 | 3/1 | 0/0 | 0/0 | 0/0 | ***55/40*** |
| | **1,800 - 1,999** | 0/4 | 5/3 | 5/3 | 12/1 | 12/0 | 0/0 | 0/0 | 0/0 | ***34/11*** |
| | **2,000 - 2,399** | 1/1 | 0/2 | 5/1 | 15/3 | 22/4 | 1/0 | 0/0 | 0/0 | ***44/11*** |
| | **2,400 - 2,999** | 0/0 | 1/0 | 0/0 | 4/0 | 13/3 | 12/2 | 0/0 | 0/0 | ***30/5*** |
| | **3,000 - 3,999** | 0/0 | 1/0 | 1/0 | 1/0 | 3/0 | 11/1 | 4/0 | 0/0 | ***21/1*** |
| | **4,000 - 4,999** | 0/0 | 0/0 | 1/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***1/0*** |
| | **5,000 - 6,999** | 0/0 | 0/0 | 2/0 | 0/0 | 1/0 | 0/0 | 6/0 | 2/0 | ***11/0*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 0/0 | 1/0 | 2/0 | 1/0 | 8/0 | ***12/0*** |
| | ***TOTAL*** | ***1/19*** | ***24/22*** | ***32/10*** | ***49/6*** | ***55/8*** | ***26/3*** | ***11/0*** | ***10/0*** | ***208/68*** |

## Table 3.4

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## Chemical Markets
### FY 1996 through FY 2003

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/0 | 0/0 | 0/1 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/1*** |
| | **1,800 - 1,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **2,000 - 2,399** | 0/0 | 1/0 | 1/0 | 0/0 | 1/0 | 0/0 | 0/0 | 0/0 | ***3/0*** |
| | **2,400 - 2,999** | 0/0 | 0/1 | 1/0 | 4/0 | 6/2 | 2/0 | 0/0 | 0/0 | ***13/3*** |
| | **3,000 - 3,999** | 0/0 | 0/0 | 1/0 | 2/0 | 0/0 | 2/1 | 4/0 | 0/0 | ***9/1*** |
| | **4,000 - 4,999** | 0/0 | 0/1 | 0/0 | 0/0 | 2/0 | 2/0 | 5/0 | 0/0 | ***9/1*** |
| | **5,000 - 6,999** | 0/0 | 0/0 | 0/1 | 0/0 | 0/0 | 1/0 | 2/0 | 4/0 | ***7/1*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 0/0 | 1/0 | 0/0 | 1/0 | 15/0 | ***17/0*** |
| | ***TOTAL*** | ***0/0*** | ***1/2*** | ***3/1*** | ***6/1*** | ***10/2*** | ***7/1*** | ***12/0*** | ***19/0*** | ***58/7*** |

## Table 3.5

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## Pharmaceuticals Markets
### FY 1996 through FY 2003

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **1,800 - 1,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **2,000 - 2,399** | 0/0 | 0/0 | 0/0 | 1/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***1/0*** |
| | **2,400 - 2,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **3,000 - 3,999** | 0/0 | 0/1 | 0/0 | 0/0 | 1/0 | 1/0 | 3/0 | 0/0 | ***5/1*** |
| | **4,000 - 4,999** | 0/0 | 0/0 | 0/0 | 0/0 | 2/0 | 2/0 | 1/0 | 0/0 | ***5/0*** |
| | **5,000 - 6,999** | 0/0 | 1/0 | 0/0 | 0/0 | 0/0 | 1/0 | 2/0 | 1/0 | ***5/0*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 1/0 | 0/0 | 0/0 | 2/0 | 5/0 | ***8/0*** |
| | ***TOTAL*** | ***0/0*** | ***1/1*** | ***0/0*** | ***2/0*** | ***3/0*** | ***4/0*** | ***8/0*** | ***6/0*** | ***24/1*** |

## Table 3.6

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## "Other" Markets
### FY 1996 through FY 2003

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/3 | 0/2 | 0/1 | 0/1 | 0/1 | 0/0 | 0/0 | ***0/8*** |
| | **1,800 - 1,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/2 | 0/0 | 0/0 | 0/0 | ***0/2*** |
| | **2,000 - 2,399** | 0/0 | 0/0 | 0/1 | 0/6 | 3/4 | 0/1 | 0/0 | 0/0 | ***3/12*** |
| | **2,400 - 2,999** | 0/0 | 0/0 | 0/3 | 0/1 | 8/5 | 6/1 | 0/0 | 0/0 | ***14/10*** |
| | **3,000 - 3,999** | 0/0 | 0/0 | 0/1 | 1/1 | 2/4 | 22/8 | 9/7 | 0/0 | ***34/21*** |
| | **4,000 - 4,999** | 0/0 | 0/1 | 0/1 | 2/0 | 2/1 | 1/0 | 15/1 | 0/0 | ***20/4*** |
| | **5,000 - 6,999** | 0/0 | 1/0 | 1/1 | 3/1 | 5/0 | 5/0 | 43/11 | 6/1 | ***64/14*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 3/0 | 6/1 | 44/2 | ***53/3*** |
| | ***TOTAL*** | ***0/0*** | ***1/4*** | ***1/9*** | ***6/10*** | ***20/17*** | ***37/11*** | ***73/20*** | ***50/3*** | ***188/74*** |

## Table 4.1

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## All Markets
### FY 1996 through FY 2003

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 128 | 5 | ***133*** |
| | 3 to 2 | 156 | 28 | ***184*** |
| | 4 to 3 | 102 | 32 | ***134*** |
| | 5 to 4 | 32 | 20 | ***52*** |
| | 6 to 5 | 13 | 19 | ***32*** |
| | 7 to 6 | 2 | 8 | ***10*** |
| | 8 to 7 | 6 | 6 | ***12*** |
| | 9 to 8 | 0 | 4 | ***4*** |
| | 10 to 9 | 2 | 1 | ***3*** |
| | 10 + | 0 | 9 | ***9*** |
| | ***TOTAL*** | ***441*** | ***132*** | ***573*** |

## Table 4.2

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## Grocery Markets
### FY 1996 through FY 2003

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 15 | 0 | ***15*** |
| | 3 to 2 | 40 | 5 | ***45*** |
| | 4 to 3 | 54 | 10 | ***64*** |
| | 5 to 4 | 16 | 4 | ***20*** |
| | 6 to 5 | 3 | 2 | ***5*** |
| | 7 to 6 | 1 | 1 | ***2*** |
| | 8 to 7 | 0 | 1 | ***1*** |
| | 9 to 8 | 0 | 0 | ***0*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 0 | ***0*** |
| | ***TOTAL*** | ***129*** | ***23*** | ***152*** |

## Table 4.3

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## Oil Markets
### FY 1996 through FY 2003

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 13 | 0 | ***13*** |
| | 3 to 2 | 12 | 0 | ***12*** |
| | 4 to 3 | 6 | 0 | ***6*** |
| | 5 to 4 | 7 | 3 | ***10*** |
| | 6 to 5 | 6 | 8 | ***14*** |
| | 7 to 6 | 1 | 5 | ***6*** |
| | 8 to 7 | 6 | 1 | ***7*** |
| | 9 to 8 | 0 | 2 | ***2*** |
| | 10 to 9 | 2 | 0 | ***2*** |
| | 10 + | 0 | 6 | ***6*** |
| | ***TOTAL*** | ***53*** | ***25*** | ***78*** |

## Table 4.4

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## Chemical Markets
### FY 1996 through FY 2003

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 21 | 0 | ***21*** |
| | 3 to 2 | 11 | 0 | ***11*** |
| | 4 to 3 | 16 | 2 | ***18*** |
| | 5 to 4 | 8 | 2 | ***10*** |
| | 6 to 5 | 2 | 2 | ***4*** |
| | 7 to 6 | 0 | 0 | ***0*** |
| | 8 to 7 | 0 | 1 | ***1*** |
| | 9 to 8 | 0 | 0 | ***0*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 0 | ***0*** |
| | ***TOTAL*** | ***58*** | ***7*** | ***65*** |

## Table 4.5

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## Pharmaceutical Markets
### FY 1996 through FY 2003

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 11 | 0 | ***11*** |
| | 3 to 2 | 9 | 0 | ***9*** |
| | 4 to 3 | 4 | 0 | ***4*** |
| | 5 to 4 | 0 | 1 | ***1*** |
| | 6 to 5 | 0 | 0 | ***0*** |
| | 7 to 6 | 0 | 0 | ***0*** |
| | 8 to 7 | 0 | 0 | ***0*** |
| | 9 to 8 | 0 | 0 | ***0*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 0 | ***0*** |
| | ***TOTAL*** | ***24*** | ***1*** | ***25*** |

## Table 4.6

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## "Other" Markets
### FY 1996 through FY 2003

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 68 | 5 | ***73*** |
| | 3 to 2 | 84 | 23 | ***107*** |
| | 4 to 3 | 22 | 20 | ***42*** |
| | 5 to 4 | 1 | 10 | ***11*** |
| | 6 to 5 | 2 | 7 | ***9*** |
| | 7 to 6 | 0 | 2 | ***2*** |
| | 8 to 7 | 0 | 3 | ***3*** |
| | 9 to 8 | 0 | 2 | ***2*** |
| | 10 to 9 | 0 | 1 | ***1*** |
| | 10 + | 0 | 3 | ***3*** |
| | ***TOTAL*** | ***177*** | ***76*** | ***253*** |

## Table 5.1

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## All Markets
### FY 1996 through FY 2003

**Hot Documents Identified**

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **1,800 - 1,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/1 | 0/0 | 0/0 | 0/0 | ***0/1*** |
| | **2,000 - 2,399** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **2,400 - 2,999** | 0/0 | 0/0 | 0/0 | 1/0 | 1/0 | 0/0 | 0/0 | 0/0 | ***2/0*** |
| | **3,000 - 3,999** | 0/0 | 0/0 | 0/0 | 0/0 | 1/1 | 1/0 | 2/0 | 0/0 | ***4/1*** |
| | **4,000 - 4,999** | 0/0 | 0/0 | 0/0 | 0/0 | 1/0 | 0/0 | 0/0 | 0/0 | ***1/0*** |
| | **5,000 - 6,999** | 0/0 | 0/0 | 0/0 | 1/0 | 0/0 | 0/0 | 3/0 | 1/0 | ***5/0*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 1/0 | 5/0 | ***6/0*** |
| | ***TOTAL*** | ***0/0*** | ***0/0*** | ***0/0*** | ***2/0*** | ***3/2*** | ***1/0*** | ***6/0*** | ***6/0*** | ***18/2*** |

## Table 5.2

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## All Markets
### FY 1996 through FY 2003

**No Hot Documents Identified**

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/2 | 0/0 | 0/2 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/4*** |
| | **1,800 - 1,999** | 0/0 | 0/2 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/2*** |
| | **2,000 - 2,399** | 0/0 | 0/0 | 0/0 | 1/1 | 3/3 | 0/1 | 0/0 | 0/0 | ***4/5*** |
| | **2,400 - 2,999** | 0/0 | 0/0 | 0/1 | 0/1 | 3/4 | 2/1 | 0/0 | 0/0 | ***5/7*** |
| | **3,000 - 3,999** | 0/0 | 0/1 | 0/1 | 0/0 | 0/3 | 6/2 | 3/3 | 0/0 | ***9/10*** |
| | **4,000 - 4,999** | 0/0 | 0/2 | 0/0 | 1/0 | 3/1 | 2/0 | 7/2 | 0/0 | ***13/5*** |
| | **5,000 - 6,999** | 0/0 | 1/0 | 1/0 | 1/0 | 0/0 | 2/0 | 8/2 | 5/1 | ***18/3*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 1/0 | 1/0 | 1/0 | 6/0 | 13/1 | ***22/1*** |
| | ***TOTAL*** | ***0/0*** | ***1/7*** | ***1/2*** | ***4/4*** | ***10/11*** | ***13/4*** | ***24/7*** | ***18/2*** | ***71/37*** |

## Table 6.1

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## All Markets
### FY 1996 through FY 2003

### Hot Documents Identified

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 8 | 0 | ***8*** |
| | 3 to 2 | 3 | 0 | ***3*** |
| | 4 to 3 | 6 | 2 | ***8*** |
| | 5 to 4 | 0 | 0 | ***0*** |
| | 6 to 5 | 1 | 0 | ***1*** |
| | 7 to 6 | 0 | 0 | ***0*** |
| | 8 to 7 | 0 | 0 | ***0*** |
| | 9 to 8 | 0 | 0 | ***0*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 0 | ***0*** |
| | ***TOTAL*** | ***18*** | ***2*** | ***20*** |

## Table 6.2

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## All Markets
### FY 1996 through FY 2003

### No Hot Documents Identified

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 29 | 1 | ***30*** |
| | 3 to 2 | 25 | 6 | ***31*** |
| | 4 to 3 | 13 | 10 | ***23*** |
| | 5 to 4 | 2 | 12 | ***14*** |
| | 6 to 5 | 2 | 3 | ***5*** |
| | 7 to 6 | 0 | 1 | ***1*** |
| | 8 to 7 | 0 | 1 | ***1*** |
| | 9 to 8 | 0 | 1 | ***1*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 2 | ***2*** |
| | ***TOTAL*** | ***71*** | ***37*** | ***108*** |

## Table 7.1

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## All Markets
### FY 1996 through FY 2003

### Strong Customer Complaints

### Enforced/Closed

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **1,800 - 1,999** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/0*** |
| | **2,000 - 2,399** | 0/0 | 0/0 | 0/0 | 0/0 | 2/1 | 0/0 | 0/0 | 0/0 | ***2/1*** |
| | **2,400 - 2,999** | 0/0 | 0/0 | 0/0 | 1/0 | 0/0 | 1/0 | 0/0 | 0/0 | ***2/0*** |
| | **3,000 - 3,999** | 0/0 | 0/0 | 0/0 | 0/0 | 1/0 | 4/0 | 4/0 | 0/0 | ***9/0*** |
| | **4,000 - 4,999** | 0/0 | 0/0 | 0/0 | 0/0 | 3/0 | 0/0 | 3/0 | 0/0 | ***6/0*** |
| | **5,000 - 6,999** | 0/0 | 0/0 | 1/0 | 0/0 | 0/0 | 1/0 | 6/0 | 4/0 | ***12/0*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 0/0 | 7/0 | 12/0 | ***19/0*** |
| | ***TOTAL*** | ***0/0*** | ***0/0*** | ***1/0*** | ***1/0*** | ***6/1*** | ***6/0*** | ***20/0*** | ***16/0*** | ***50/1*** |

## Table 7.2

## FTC Horizontal Merger Investigations
## Post Merger HHI and Change in HHI (Delta)
## All Markets
### FY 1996 through FY 2003

**No Strong Customer Complaints**

**Enforced/Closed**

| | | *Change in HHI (Delta)* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **0 - 99** | **100 - 199** | **200 - 299** | **300 - 499** | **500 - 799** | **800 - 1,199** | **1,200 - 2,499** | **2,500 +** | ***TOTAL*** |
| ***Post Merger HHI*** | **0 - 1,799** | 0/0 | 0/2 | 0/0 | 0/2 | 0/0 | 0/0 | 0/0 | 0/0 | ***0/4*** |
| | **1,800 - 1,999** | 0/0 | 0/2 | 0/0 | 0/0 | 0/1 | 0/0 | 0/0 | 0/0 | ***0/3*** |
| | **2,000 - 2,399** | 0/0 | 0/0 | 0/0 | 1/1 | 1/2 | 0/1 | 0/0 | 0/0 | ***2/4*** |
| | **2,400 - 2,999** | 0/0 | 0/0 | 0/1 | 0/1 | 3/4 | 1/1 | 0/0 | 0/0 | ***4/7*** |
| | **3,000 - 3,999** | 0/0 | 0/1 | 0/1 | 0/0 | 0/2 | 2/1 | 1/3 | 0/0 | ***3/8*** |
| | **4,000 - 4,999** | 0/0 | 0/2 | 0/0 | 1/0 | 1/1 | 2/0 | 3/1 | 0/0 | ***7/4*** |
| | **5,000 - 6,999** | 0/0 | 1/0 | 0/0 | 2/0 | 0/0 | 1/0 | 2/2 | 2/1 | ***8/3*** |
| | **7,000 +** | 0/0 | 0/0 | 0/0 | 1/0 | 1/0 | 1/0 | 0/0 | 4/1 | ***7/1*** |
| | ***TOTAL*** | ***0/0*** | ***1/7*** | ***0/2*** | ***5/4*** | ***6/10*** | ***7/3*** | ***6/6*** | ***6/2*** | ***31/34*** |

## Table 8.1

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## All Markets
### FY 1996 through FY 2003

### Strong Customer Complaints

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 25 | 0 | ***25*** |
| | 3 to 2 | 14 | 1 | ***15*** |
| | 4 to 3 | 8 | 0 | ***8*** |
| | 5 to 4 | 0 | 0 | ***0*** |
| | 6 to 5 | 3 | 0 | ***3*** |
| | 7 to 6 | 0 | 0 | ***0*** |
| | 8 to 7 | 0 | 0 | ***0*** |
| | 9 to 8 | 0 | 0 | ***0*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 0 | ***0*** |
| | ***TOTAL*** | ***50*** | ***1*** | ***51*** |

## Table 8.2

## FTC Horizontal Merger Investigations
## Number of Significant Competitors
## All Markets
### FY 1996 through FY 2003

### No Strong Customer Complaints

| | | *Outcome* | | |
|---|---|---|---|---|
| | | **Enforced** | **Closed** | ***TOTAL*** |
| ***Significant Competitors*** | 2 to 1 | 10 | 1 | ***11*** |
| | 3 to 2 | 10 | 3 | ***13*** |
| | 4 to 3 | 10 | 10 | ***20*** |
| | 5 to 4 | 1 | 12 | ***13*** |
| | 6 to 5 | 0 | 3 | ***3*** |
| | 7 to 6 | 0 | 1 | ***1*** |
| | 8 to 7 | 0 | 1 | ***1*** |
| | 9 to 8 | 0 | 1 | ***1*** |
| | 10 to 9 | 0 | 0 | ***0*** |
| | 10 + | 0 | 2 | ***2*** |
| | ***TOTAL*** | ***31*** | ***34*** | ***65*** |