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Warren, Jones Introduce Bicameral Legislation to Ban Anticompetitive Mergers, Restore Competition, and Bring Down Prices for Consumers

New Prohibiting Anticompetitive Mergers Act Would Ban the Biggest, Most Anticompetitive Mergers; Give the DOJ and FTC Tools to Reject Deals and Break Up Monopolies

[Bill Summary \(PDF\)](#) | [Bill Text \(PDF\)](#)

Washington, D.C. — United States Senator Elizabeth Warren (D-Mass.) and United States Representative Mondaire Jones (D-N.Y.) introduced bicameral legislation to help stomp out rampant industry consolidation that allows companies to raise consumer prices and mistreat workers. The *Prohibiting Anticompetitive Mergers Act* would ban the biggest, most anticompetitive mergers and give the Department of Justice (DOJ) and Federal Trade Commission (FTC) the teeth to reject deals in the first instance without court orders and to break up harmful mergers.

For capitalism to work for all Americans, our markets must have meaningful, robust competition. Since the 1970s, weak antitrust enforcement has led to increased industry consolidation across the American economy. Today, a handful of giant corporations are dominating countless industries to the detriment of consumers, workers, and entrepreneurs of all backgrounds. This worsening economic concentration also distorts our political processes, allowing the biggest and wealthiest firms to rig the rules in their favor.

Without robust competition, large opportunistic corporations are able to use inflation as a pretext to abuse their pricing power and jack up prices for American consumers at the grocery store, at the gas pump, and at the pharmacy. This excessive market power costs American families \$5,000 per year on average and has depressed median household wages by \$10,000.

Moreover, for the first time, the *Prohibiting Anticompetitive Mergers Act* would require the FTC and the DOJ to consider how a merger would impact workers — and to reject mergers that would harm them. The bill would empower the FTC and the DOJ Antitrust Division to reject transactions that would exacerbate corporate domination of labor markets and block transactions that would weaken collective bargaining agreements, reduce employee benefits and compensation, or cause layoffs.

“For the last five decades, big companies have had almost free reign over our economy, squashing competitors, growing bigger and bigger, and abusing their market power to price gouge consumers and crush workers and small businesses. This unconstitutional behavior has to stop. My new bill with Rep. Jones would restore our country’s anti-monopoly tradition by banning the biggest, most anticompetitive mergers and giving the DOJ and the FTC stronger tools to enforce our antitrust laws and restore real competition in our markets. Congress needs to take bold action to bring down prices for families and promote a fairer economy for all Americans, and our bill would do just that,” **said Senator Warren.**

“In 2021, our antitrust agencies received more merger filings than in any other year during the last decade,” **said Congressman Mondaire Jones.** “From major tech mergers between companies like Facebook and Instagram to agriculture mergers between companies like Wayne and Sanderson Farms, the recent rise in corporate consolidation has increased unemployment, suppressed wages, and allowed companies to hike up prices even further during this period of inflation. It’s why we need the *Prohibiting Anticompetitive Mergers Act*, which I’m proud to introduce with Senator Elizabeth Warren. Our bill would empower workers, raise wages, reduce prices, combat inequality, and enable small businesses to thrive. By banning the biggest, most anticompetitive mergers, overhauling the merger-review process to include consideration of labor-market consequences, and strengthening agencies’ tools to break up harmful mergers, our bill will tackle corporate consolidation head on and help build a fairer, more vibrant economy that works for everyone.”

Specifically, the *Prohibiting Anticompetitive Mergers Act* would:

- Make “prohibited mergers” illegal, including:
 - Deals valued over \$5 billion
 - Deals resulting in market shares above 33% for sellers or 25% for employers
 - Deals resulting in highly concentrated markets under the 1992 agency guidelines
- Overhaul the merger-review process by giving antitrust agencies stronger tools to stop the most harmful mergers, such as:
 - Allowing the agencies to reject mergers in the first instance without court orders
 - Requiring the agencies to reject certain mergers, including prohibited mergers
 - Prohibiting firms with a history of corporate crime or antitrust violations in the last ten years from acquiring other companies
 - Prohibiting the agencies from negotiating remedies with the merging parties
 - Directing the agencies to scrutinize the labor impacts of each deal and reject mergers harmful to workers
 - Prohibiting private-equity “roll up” strategies that quickly consolidate industries
 - Giving a greater role to other relevant agencies and state attorneys general
 - Requiring courts to defer to certain agency determinations
 - Stripping merger litigation from the appellate jurisdiction of the Supreme Court
- Establish procedures for the antitrust agencies to conduct retrospective reviews and break up harmful deals that have destroyed competition

Senator Warren and Rep. Jones have previously called on the DOJ to consider opposing large, anticompetitive mergers. Earlier this year, they slammed the proposed merger between Sanderson Farms and Wayne Farms, two of the country’s largest poultry processors, and called on the DOJ to thoroughly review the deal and step in to prevent harm to American farmers and consumers as poultry prices soar. Warren and Jones also raised concerns to the DOJ and Department of Transportation that Frontier Airlines’ proposed acquisition of Spirit Airlines could further increase airline concentration, which has reduced competition and hurt consumers and workers over the past several decades. Senator Warren has also called on the FTC to consider harms to workers and harms throughout entire business ecosystems in a letter regarding Amazon’s proposed acquisition of MGM Studios, and she questioned the effectiveness of behavioral remedies altogether in the defense industry in a letter regarding Lockheed Martin’s proposed acquisition of Aerojet Rocketdyne, a vertical deal that the parties recently abandoned. All of these transactions would have been prohibited under this new legislation.

The legislation is cosponsored in the Senate by U.S. Senators Cory Booker (D-N.J.), Bernie

Sanders (I-Vt.), Tammy Baldwin (D-Minn.), Brian Schatz (D-Hawaii), Sheldon Whitehouse (D-R.I.), Richard Blumenthal (D-Conn.), Jeff Merkley (D-Ore.), and Edward J Markey (D-Mass.).

The legislation is cosponsored in the House by U.S. Representatives Cori Bush (D-Mo.), Mark Pocan (D-Wis.), Alexandria Ocasio-Cortez (D-N.Y.), Katie Porter (D-Calif.), Jesús “Chuy” García (D-Ill.), Andy Levin (D-Mich.), Adriano Espaillat (D-N.Y.), Ayanna Pressley (D-Mass.), Rashida Tlaib (D-Mich.), Mark Takano (D-Calif.), and Eleanor Holmes Norton (D-D.C.).

The legislation is endorsed by more than 70 antitrust, labor, agriculture, and advocacy organizations including Public Citizen, Open Markets Institute, Communications Workers of America, Color of Change, American Economic Liberties Project, Food & Water Watch, Farm Action Fund, United for Respect, Strategic Organizing Center, Institute for Local Self-Reliance, and Teamsters.

“The Teamsters are proud to stand alongside Senator Warren as she introduces legislation recognizing how workers are at the core of mergers and significant corporate concentration,” said **International Brotherhood of Teamsters General President James P. Hoffa**. “For too long, workers have been left behind in the merger process that invariably impacts their lives and families. On a broader scale, this legislation is a major step in the right direction for greater worker inclusion and representation on antitrust issues that affect workers’ wages, job security and overall working conditions. We hope Congress will act swiftly to pass this legislation and give workers the seat at the table they deserve.”

“It’s high time we revamped America’s approach to corporate concentration. Over the past few decades, major companies in air travel, telecommunications, agriculture, and social media have combined or hoovered up competitors to the detriment of the economy and with real impacts for regular Americans. This groundbreaking legislation would put power back in the hands of the public, reduce corporate concentration in the economy, and restore fair competition for the benefit of small businesses, workers, and consumers,” said **Matthew Kent, Competition Policy Advocate, Public Citizen**.

"The Open Markets Institute strongly applauds Senator Elizabeth Warren and Congressman Mondaire Jones for introducing the Prohibiting Anticompetitive Mergers Act of 2022, a critically important and transformative bill. Monopolists directly threaten freedom of the press and freedom of expression, the stability of our most basic industrial and financial systems, and

the liberty to build better communities, better businesses, and better technologies. The American people repeatedly and resoundingly have expressed our fear of private monopoly and our intention to break or neutralize all concentrated private power. We hope today's legislation marks a first step towards the restoration and strengthening of the true will of the American people as expressed through Congress in the Clayton Antitrust Act of 1914," said **Barry Lynn, Executive Director of the Open Markets Institute.**

"The Prohibiting Anticompetitive Mergers Act of 2022 takes direct aim at the record-shattering merger frenzy now supercharging the concentration of wealth and power in America," said **Sarah Miller, Executive Director of the American Economic Liberties Project.** "This legislation prioritizes the needs of working people, honest businesses, and consumers, clearly prohibiting the largest mergers and providing antitrust enforcers with important tools to block and unwind bad deals. It offers critical support to the Federal Trade Commission and the Department of Justice as the agencies work to confront the current merger boom. And it remedies many of the most serious issues with current federal merger policy. Congress should pass it immediately."

"It is critical that we look at mergers through the lens of their impact on minority-owned businesses," said **Rashad Robinson, President of Color Of Change.** "Approving mergers without doing so has become a key driver of inequality: for decades, corporate monopolies have directly suppressed the growth of Black-owned businesses and the contributions of Black entrepreneurs. Antitrust reform like the Prohibiting Anticompetitive Mergers Act of 2022 will help ensure the long-overdue investments in Black communities, and Color Of Change applauds Senator Warren and Representative Jones for standing up to the many harmful effects of consolidated corporate power. Stronger antitrust legislation is an essential tool for ensuring racial justice in our economy."

"Concentrated market power is the single biggest threat facing independent businesses in my community," said **Theodora Skeadas, Executive Director of Cambridge Local First (CLF).** "Cambridge Local First represents nearly 500 unique small businesses in Cambridge, Massachusetts. A key part of our mission is to promote and celebrate a 'local economy community' and support our home town businesses. We need Congress to step in and stand up to giant businesses like Amazon that are undermining our communities. It's a relief to see Sen. Warren and Rep. Jones bringing some basic fairness back to our economy."

“Local independent businesses are the backbone of our communities in New York,” said **Bob Giordano, President/Founder of the Westchester Independent Business Alliance**. “They provide character and individuality while keeping jobs and money in the local community. Our small businesses do so much for our communities, but too often the deck is stacked in favor of dominant companies like Amazon, big box stores and national and regional chains. We need this legislation to break up the power of monopolies and ensure small, independent businesses a fair shot at competing.”

“Many of the difficulties facing American families today – from inflated prices for everyday needs to threats to our food safety, health and climate – can be traced back to egregious corporate mega-mergers that were foolishly rubber-stamped in recent years. This critical legislation will put a halt on anti-competitive, anti-consumer mergers, and also put a halt to some of the worst corporate profiteering that is so rampant in our country today,” said **Wenonah Hauter, Executive Director of Food & Water Watch, a national advocacy group**. “It’s time for Congress to get serious about protecting American families and workers, and make this bill the law.”

“Antitrust agencies have had to combat record-breaking levels of consolidation with one hand tied behind their backs,” said **Sarah Carden, Policy Advocate at Farm Action Fund**. “Our small businesses, our farms, our communities — they need an economy that works for them, not one that just pumps out more corporate profits. This bill can deliver that.”

“Organic dairy farm families thrive on competition to set a fair price for their organic milk. With the exit of Danone there is only one buyer of organic milk in New England and Eastern New York. Without competition the price we currently receive is 15% below the cost of production and equal to what we were paid in 2014. The Northeast Organic Dairy Producers Alliance supports the Prohibiting Anticompetitive Mergers Act to provide a living wage for all farmers,” said **NODPA Board President Liz Bawden**.

“Organic farmers are being harmed by extreme consolidation in the food system. Right now, dozens of organic dairy farmers in New England are facing an economic crisis because one of the very few buyers of organic milk is shifting to large farms in other regions of the country. The Organic Farmers Association supports the Prohibiting Anticompetitive Mergers Act because farmers and the resilience of our food supply suffer when already dominant companies are allowed to get even bigger. Stopping the growth of mega-mergers is the first

step in getting more buyers and a fair price for organic farmers,” said **Kate Mendenhall**,
Director of Organic Farmers Association.

A full list of endorsements can be found [here](#).

Letter of support from advocacy organizations can be found [here](#).

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