

## STATEMENT OF THE COMMISSION

### Concerning

#### *FEDERATED DEPARTMENT STORES, INC./THE MAY DEPARTMENT STORES COMPANY* **FTC File No. 051-0111**

#### **I. INTRODUCTION**

The Federal Trade Commission has closed its investigation of the proposed acquisition by Federated Department Stores, Inc. (“Federated”) of The May Department Stores Company (“May”). This acquisition, valued at approximately \$17 billion, combines two large chains of department stores. Federated owns or operates 456 department stores – either under the name Macy’s or Bloomingdale’s – with reported annual sales in 2003 of about \$15 billion. May owns or operates 491 department stores with sales in 2003 of about \$13 billion, under names that

But when an industry is changing rapidly, merger cases cannot be decided solely on the basis of historical precedents in that industry – even when the precedents are from the relatively recent past. As the U.S. Supreme Court recognized in its landmark merger opinion, *United States v. General Dynamics Corp.*, 415 U.S. 486, 500 (1974), it is necessary to take account of

**B. Pricing Patterns**

Staff found no evidence that Federated and May

**IV.**

## **VI. CONCLUSION**

We recognize that many individual consumers mourn the gradual disappearance of individual department stores in their hometowns. Traditional department stores seemed to stock the kinds of merchandise that best suited their personal tastes, and the stores a