

## Joint Statement From Justice Department and FTC On Competition in Defense Industry

By Administrator

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RALEIGH, (SGRToday.com) - Two key federal agencies have reaffirmed their commitment to ensuring competition in the defense industry.

A joint statement from the Department of Justice and the Federal Trade Commission (FTC) looks at plans for monitoring mergers and acquisitions in the industry.

It reads:

"The Department of Justice is committed to preserving competition for current and future defense procurement," said Assistant Attorney General Bill Baer of the Justice Department's Antitrust Division. "In light of recent speculation about possible future consolidation, we thought it timely to reinforce that message. Working with our colleagues at the Department of Defense, our mission in reviewing proposed defense industry consolidation is to ensure that our military continues to receive the most effective and innovative products at competitive prices in both the short- and long-term thereby protecting our national security, American soldiers, sailors, marines and air crews, and our nation's taxpayers."

"Competition is the essential ingredient that leads to high-quality products at lower prices," said Chairwoman Edith Ramirez of the Federal Trade Commission. "This is especially critical when it comes to America's defense industry, which provides the weapons and equipment that our men and women in uniform rely on every day."

In the joint statement, the federal antitrust agencies emphasize that the particular aspects of the defense industry, such as high barriers to entry, the importance of investment in research and development and the need for surge capacity, can be central to reviewing defense industry mergers and acquisitions. The joint statement also states that defense industry mergers should not adversely affect short or long-term innovation and must maintain a sufficient number of competitors, including both prime and subcontractors, to ensure that competition for current, planned and future procurement remains robust.

The antitrust agencies will continue their close working relationship with the Department of Defense as established by the Defense Science Board Task Force on Antitrust Aspects of Defense Industry Consolidation and are committed to the long-standing practice of giving the Department of Defense's assessment substantial weight in areas where it has special expertise and information, such as national security."

The statement can be found at [justice.gov](http://justice.gov).