

Figure 9
Merger Abandonments

Case	Product	Number of Firms	HHI/Delta	Plus Factors
Northwest/Continental (1998)	Airlines	Partial acquisition involving 1 st and 2 nd largest firms on some routes	Depending on route market: 4500 to 10000 / 2380 to 4870	Eliminate maverick Homogenous products Information exchange History of tacit collusion Barriers to entry Partial ownership stake
British Airways/ American Airlines (2001)	Airlines	Antitrust Immunity on multiple 5-to-4, 4-to-3, 2-to-1 markets	N/A	Homogenous products Information exchange History of tacit coordination Barriers to entry Multi-market contact
United/US Airways (2001)	Airlines	Multiple 4-to-3, 3-to-2, 2-to-1 markets	N/A	Homogenous products Information exchange History of tacit coordination Barriers to entry Multi-market contact
Formica/International Paper (1999)	High pressure laminate	Merger of 2 nd and 3 rd largest in a 4 firm market	3850/670	Acquired firm was a possible maverick Homogeneous products Price matching policies Barriers to entry Inelastic demand Competitive fringe had limited ability to expand