

FTC Withdraws from MOU on Interagency Cooperation in Labor Review of M&A Deals

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The Federal Trade Commission (FTC) has announced it will withdraw from the [Memorandum of Understanding on Labor Issues in Merger Investigations](#) one month after it entered into the MOU with three other agencies. The Aug. 28, 2024, MOU outlined cooperation in investigating the possible effects that mergers and acquisitions deals may have on labor markets. (For details, see our article, [DOJ, FTC, DOL, NLRB Memorandum of Understanding Continues Focus on M&A Deals' Labor Consequences.](#))

In its Sept. 27, 2024, announcement, the FTC offered no explanation for its withdrawal, stating only, "The agency will continue to closely scrutinize all issues related to mergers, including potential impacts on labor, in accordance with its merger guidelines."

Given that the MOU appeared to primarily benefit the FTC (together with the Department of Justice Antitrust Division), while imposing few (if any) obligations upon the FTC, it is difficult to speculate as to the reason behind the FTC's decision to withdraw.

While not expressly specified in the FTC's announcement, it appears that this withdrawal does not affect the 2022 [Memorandum of Understanding Between the Federal Trade Commission \(FTC\) and the National Labor Relations Board \(NLRB\) Regarding Information Sharing, Cross-Agency Training, And Outreach in Areas of Common Regulatory Interest](#) or the 2023 [Memorandum of Understanding Between the U.S. Department of Labor and the Federal Trade Commission.](#)

Despite this withdrawal, parties contemplating mergers or acquisitions should continue to expect that the FTC and Department of Justice, in conducting antitrust review under the Hart-Scott-Rodino Act, will continue their increased focus on labor impacts of the transaction.

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