

Acquisition of Nonvoting Interest May Be Anticompetitive

Date: 11/30/05

Source: The New York Law Journal. Reprinted with permission.

The U.S. Court of Appeals for the Sixth Circuit ruled that an acquisition of a nonvoting interest in a milk-processing plant by a dairy farmer cooperative may violate the Clayton Act. A Federal Trade Commission (FTC) initial decision would require the divestiture of a Chicago-area hospital acquired by a rival in 2000. The Sixth Circuit reversed a summary judgment granted to an airline accused of predatory conduct. Other recent antitrust decisions of interest included a ruling by the U.S. Court of Appeals for the Federal Circuit that a practice of licensing compact disc manufacturing patents as a package did not constitute patent misuse.