

Abstract

Changes in the world's economies and discussions in the literature about the growing importance of innovation to firms have given rise to a demand for expanding the analysis of merger policy. The present study focuses on the different criteria used to assess the impact of M&A activities on innovation. The analysis is both theoretical and empirical. From a theoretical perspective, two main approaches are discussed: the efficiency defence approach, adopted in Europe, and the innovation markets doctrine as developed in the United States. The present paper contributes to the literature by suggesting that an integration of the two approaches would significantly improve M&A assessment. On the empirical side, two cases that have been scrutinised by both the European Commission and the U.S. Federal Trade Commission are discussed. The results show the relevance of the different approaches used when dealing with innovation in the assessment of mergers.