

Staples Buys Office Depot

Written by Marco Attard
05 February 2015

Staples acquires rival office supply retailer Office Depot in a \$6.3 billion deal, one analysts describe as an attempt to avoid the fate of the likes of RadioShack in the face of Walmart and online competition.



The acquisition is, of course, not without controversy-- after all, Staples and Office Depot are the top two office supplies retailers in the US, and as such it will surely fire up the ire of the Federal Trade Commission (FTC) and antitrust investigators. In fact, the authorities already stopped a previous attempt at a Staples-Office Depot merger back in 1996.

Then again, one can point out the FTC approved of Office Depot's November 2014 acquisition of the no. 3 office supply retailer, OfficeMax, not to mention a changing industry where Amazon and mega retailers such as Walmart and Costco also stab at B2B business.

"There are really strong regional players, who bid on contracts all the time, and have been very, very successful," Staples CEO Ron Sargent says. "Amazon just launched a B2B office products initiative. They're knocking on the door."

However commenters say that while customers will win out from the merger, suppliers will lose out-- a retailer the size of Staples-Office Depot should have more clout to renegotiate contracts and push prices even lower.

The acquisition is expected to close by end 2015 following Office Depot shareholder approval and aforementioned antitrust investigation.

Staples Buys Office Depot

Written by Marco Attard
05 February 2015

Go [Staples Announces Acquisition of Office Depot](#)