Microsoft has been temporarily restrained from buying Activision Blizzard, judge rules

A federal court has issued a temporary restraining order that will prevent Microsoft from closing its $68.7 billion deal to acquire Activision Blizzard — at least for now. The Federal Trade Commission filed a complaint on Monday seeking to get the restraining order and a preliminary injunction, and the court has agreed to the restraining order while it considers that injunction. If the courts grant the injunction as well, the FTC would have a chance to make its legal case before any deal can be done.

As a result of today's order, Microsoft and Activision cannot complete the acquisition until "after 11:59 p.m. Pacific Time on the fifth business day after the Court rules on the FTC's request for a preliminary injunction" or a date set by the court (whichever is later). The court has also set an evidentiary hearing on the preliminary injunction for June 22nd and 23rd, so it's extremely unlikely these companies will close the transaction this month.

"Accelerating the legal process in the US will ultimately bring more choice and competition to the gaming market," Microsoft spokesperson David Cuddy said in a statement to *The Verge*. "A temporary restraining order makes sense until we can receive a decision from the Court, which is moving swiftly."

Microsoft and Activision announced the planned acquisition in January 2022, and in the months since, it has faced enormous

regulatory scrutiny. Although EU regulators approved the deal in May, UK regulators blocked the deal in April (a decision that Microsoft has appealed) and the FTC sued in December in another attempt to block the deal.

Technically, the deal is supposed to close before a July 18th deadline. If the deal isn’t renegotiated to extend that deadline, Microsoft is obligated to pay Activision Blizzard a $3 billion breakup fee.

***Update June 13th, 10:04PM ET**: Added statement from Microsoft.*

https://www.theverge.com/2023/6/13/23760192/microsoft-activision-blizzard-tro-granted-ftc-injunction