The FTC could challenge Microsoft's Activision purchase by December

The Federal Trade Commission is preparing a potential legal challenge to Microsoft's plan to buy Activision for $68.7 billion, and it could file the lawsuit by next month, according to *Politico*. The outlet's sources say both CEOs — Satya Nadella and Bobby Kotick — have already been deposed, and yet the FTC remains skeptical.

The report notes that there are still a few steps to go before the regulator is ready to act, including a vote from its commissioners. If it does end up happening, it'd mean the deal would face antitrust challenges in the US, UK and the EU. This is despite Microsoft's repeated attempts to assure regulators that its purchase of Activision — the company in charge of *Candy Crush*, *Call of Duty*, and all of Blizzard — wouldn't hurt competition in the gaming space.

Activision has promised to fight the FTC's suit if it comes to that. "We are committed to continuing to work cooperatively with regulators around the globe to allow the transaction to proceed, but won't hesitate to fight to defend the transaction if required," said Joe Christinat, a spokesperson for the company, in a statement emailed to *The Verge*. "Any suggestion that the transaction could lead to anticompetitive effects is completely absurd. This merger will benefit gamers and the U.S. gaming industry, especially as we face increasingly stiff competition from abroad."

Microsoft has basically been in an all-out PR battle with its competitor, Sony (which may be getting nervous now that major

game makers like Obsidian, Mojang, and Bethesda are all now Xbox Game Studios). A major sticking point for the PlayStation company has been that the deal would give Microsoft power over *Call of Duty*, though Xbox head Phil Spencer has now told *The Verge* that Microsoft will keep making the games for Sony's consoles as long as the company is selling them. However, it's possible the decision was the result of pressure from the public and Sony, after PlayStation boss Jim Ryan said that Microsoft only offered to extend Sony's existing contract by three years, which could have resulted in 2028's installment being an Xbox-exclusive.

The fight between the two companies has gotten ugly at times. Microsoft accused Sony of paying developers to keep their content off of its Game Pass service, and just this week Sony argued that Microsoft's master plan was getting everybody to move over to Xbox before jacking up prices. Both companies will likely reiterate these arguments — and more — to whichever regulators come knocking. And at the moment, it feels like that list is only getting bigger.

Update November 23rd, 9:08PM ET: *Added statement from Activision.*

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