

Stopping Threats to Our Prices from (STOP) Bad Mergers Act

Sen. Baldwin

In 2018, Energizer purchased Wisconsin-based battery company Rayovac. President Trump's Federal Trade Commission (FTC) approved the merger with unusual speed, in spite of the fact that the deal was expected to give Energizer 40 percent of the U.S. battery market, 60 percent of the world hearing aid battery market, and 85 percent of the total battery market. The resulting battery duopoly in the U.S. led to significant price increases for consumers.

At the time of the merger, Rayovac operated two battery manufacturing facilities in the state: one in Portage and one in Fennimore. These facilities provided over 600 Wisconsin workers good union wages for decades because both manufacturing plants were represented by the International Brotherhood of Teamsters. But in 2023, Energizer announced it would close the two former Rayovac facilities in Wisconsin and move the work to foreign countries, or to a non-union facility in North Carolina.

Senator Baldwin has criticized the Trump-era decision and raised concerns about the planned closures in a hearing with Teamsters' President Sean O'Brien shortly after the announcement.

In an effort to provide more tools to the Federal Trade Commission to review previous mergers, she is introducing the STOP Bad Mergers Act. This legislation:

- Requires the FTC to continuously monitor previous mergers to determine if they have reduced competition, increased prices, cut wages, eliminated jobs, closed facilities, or outsourced to foreign countries. If the FTC determines a merger now violates antitrust laws, it retains the authority to take actions to remedy the situation, including by requiring divestitures and break ups.
- Enhances worker input of merger review, ensuring that labor organizations receive notification of merger filings and allows labor organizations to submit documents in favor of or opposed to a proposed merger;
- Requires more information be provided to FTC and DOJ to ensure they can properly evaluate the full effects of the merger on workers; and,
- Requires GAO studies on consolidation in the manufacturing sector and the effect of worker bargaining power in labor markets.

Endorsed by: International Brotherhood of Teamsters, American Economic Liberties Project, and Open Markets Initiative.