



CRS Report for Congress

Largest Mergers and Acquisitions by Corporations: 2002

John Williamson
Technical Information Specialist
Resources, Science, and Industry Division

Summary

The worldwide rate of corporate mergers and acquisitions (M&A) activity declined during 2001, and 2002 was a year of serious consolidation as corporations sought to restructure their operations through buying and selling of “non-essential” operations.¹ This report provides a listing of the largest mergers (announced value of at least two billion U.S. Dollars) or acquisitions for the year January 1, 2002 to December 31, 2002.[†] Completion dates for the mergers or acquisitions are included and merger or acquisition failures noted. These data have been drawn from publicly available sources and have not been otherwise verified by CRS.

Largest Mergers or Acquisitions: 2002 (ranked by value)

(All amounts cited are U.S. Dollars)

Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Meiji Life Mutual insurance company	Yasuda Mutual Life Insurance Mutual insurance company	1/24/02	April 2004 (projected)	206.0 ⁴
Pfizer, Inc. Pharmaceuticals	Pharmacia Corp. Pharmaceuticals	7/15/02	Pending*	52.1 ⁶
Taishin Financial Holding Co. Banking and finance	Shin Kong Financial Holding Co. Banking and finance	6/25/02	Pending*	29.74 ³

* The designation “Pending” often indicates that regulatory approval needed for actual merger has not been obtained.

[†] For the top 25 mergers of 1998, see RS20502, *Twenty-five Largest Mergers and Acquisitions by Corporations: 1998*; for the top 25 mergers of 1999, see RS20503, *Twenty-five Largest Mergers and Acquisitions by Corporations: 1999*; for the top 25 mergers of 2000, see RS20504, *Twenty-five Largest Mergers and Acquisitions by Corporations: 2000*; and for the top 25 mergers of 2001, see RS20804, *Twenty-five Largest Mergers and Acquisitions by Corporations: 2001*.

¹Ratner, Juliana. “The nightmare on Wall Street continues MERGERS & ACQUISITIONS BAD YEAR FOR BANKERS, GOOD YEAR FOR BUYOUTS: * DEBT MARKETS HOLD UP WELL: * RESTRUCTURING EXPERTS IN DRIVING SEAT” *Financial Times*, December 23, 2002. p. 23.

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
* The designation "Pending" often indicates that regulatory approval needed for actual merger has not been obtained.				
Crédit Agricole Banking and finance	Crédit Lyonnais Banking and finance	12/16/02	Pending*	20.0 ⁴
National Grid Group Plc Electric Power distribution National Grid Transco Plc.	Lattice Group Plc Natural Gas pipeline company	4/22/02	10/21/02	17.9 ³
Telia AB Telecommunications TeliaSonera	Sonera Corporation Oyj Telecommunications	3/26/02	12/9/02	17.5 ⁴
HSBC Banking and finance	Household International Banking and finance	11/14/02	Pending*	14.2 ⁴
PanCanadian Energy Energy company EnCana Corporation	Alberta Energy Energy company	1/27/02	4/8/02	12.0 ⁴
Northrop Grumman Inc. Defense conglomerate	TRW Inc. Conglomerate	2/22/02	12/11/02	11.8 ⁴
J.P. Morgan, Chase & Co. Banking and finance	Providian Financial's Credit card business	1/17/02	1/17/02	8.2 ⁴
South African Breweries Plc Brewing SAB Miller Plc	Miller Brewing Company Brewing	4/3/02	7/9/02	7.6 ³
Carnival Corp. Cruise line operator	P&O Princess Cruises Ltd. Cruise line operator	10/25/02	Pending*	7.3 ⁶
Carlyle Group Welch Carson Anderson & Stowe Investors	QwestDex (div. Qwest Inc.) Telephone directory publisher	8/20/02	11/8/02	7.05 ⁷
Royal Dutch Shell Oil	Enterprise Oil Plc Oil	4/2/02	5/10/02	6.2
Vodafone Plc Telecommunications	Cegetel S.A. Telecommunications	10/16/02	Pending*	6.19 ⁵
Simon Property Group, Inc. Rouse Company Westfield Holdings Ltd. Shopping center owners/ operators	Rodamco North America N.V. Shopping center owner/ operator	1/14/02	5/3/02	5.8 ³
Citigroup Banking, finance, insurance	Golden State Bancorp Banking and finance	5/22/02	11/7/02	5.8 ⁴
Blackstone Group Investment group	TRW Inc. Auto parts div. Conglomerate	11/19/02	Pending*	4.73 ⁶
Imperial Tobacco Plc Tobacco	Reemtsma Cigarettenfabriken GmbH Tobacco	3/7/02	3/7/02	4.56 ⁴
USA Interactive E-commerce	Ticketmaster Inc. E-commerce	6/3/02	10/9/02	4.5 ³
Anthem Inc. Health services provider	Trigon Healthcare Inc. Health services provider	4/29/02	7/31/02	4.4 ⁵
Cadbury, Schweppes Plc Soft drinks, confectionary	AdamsDiv., Pfizer, Inc. Confectionary	12/17/02	Pending*	4.2 ⁴

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
* The designation "Pending" often indicates that regulatory approval needed for actual merger has not been obtained.				
Friedman, Billings Ramsey Group (FBR Group) Holding company	FBR Asset Investment Real estate investment trust	11/15/02	Pending*	4.1 ²
Manulife Financial Corp. Insurance company	Canada Life Financial Corp. Insurance company	12/9/02	Pending*	4.1 ⁶
AOL TimeWarner, Inc. Conglomerate TimeWarner Cable Inc. New part owned subsidiary	TimeWarner Entertainment (27.6%) held by AT&T Comcast Cable television networks	8/21/02	Pending*	3.7 ⁶
Coca-Cola Femsa S.A. Beverage bottler	Panamerican Beverages Inc. Beverage bottler	12/23/02	Pending*	3.6 ⁴
Wendel Investissement Kohlberg Kravis Roberts Investment partnership	LeGrand S.A. Electrical parts	7/28/02	Pending*	3.58 ³
Univision Communications Inc. Spanish language broadcaster	Hispanic Broadcasting Corp. Spanish language broadcaster	6/12/02	Pending*	3.5 ⁶
Madison Dearborn Partners Investment group	Jefferson Smurfit Plc. Paper packaging manufacturer	6/17/02	9/3/02	3.5 ³
IBM Information company	PriceWaterhouseCoopers Consulting Consultant	7/30/02	10/1/02	3.5 ⁶
Southern Cross Airports Corp. Airport operator	Sydney Airport Corp. Airport operator	6/25/02	6/25/02	3.2 ²
M&T Bank Banking and finance	Allfirst Bank Banking and finance	9/26/02	Pending*	3.1 ⁶
BP Plc Energy	Veba Oel (49% not previously purchased) Oil company	5/28/02	10/2/02	3.05 ⁴
Publicis S.A. Advertising	BCom3 Advertising	3/7/02	9/25/02	3.0 ⁴
Guidant Corp. Medical device manufacturer	Cook Group, Inc. Medical device manufacturer	7/30/02	Pending*	3.0 ⁶
Royal Dutch Shell Oil	Pennzoil-Quaker State Oil Company Oil	3/25/02	10/1/02	2.9 ⁴
General Electric Co. Conglomerate	Deutsche Bank A.G. U.S. financing unit Banking and finance	9/16/02	Pending*	2.9 ⁶
Norsk Hydro (44% owned by Norwegian government) Hydro Aluminum	VAW Aluminum AG (owned by E. On AG)	1/7/02	3/12/02	2.8 ³
Bertelsmann A.G. Communications	Zomba Music Group Recorded music producer	6/11/02	11/26/02	2.74 ⁶
Del Monte Foods Co. Food	H.J. Heinz Co. North American food division Food	6/13/02	12/20/02	2.7 ²
Deutsche Bahn A.G. Government-owned railway	Stinnes A.G. Transportation company	7/3/02	10/18/02	2.7 ⁴

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
* The designation "Pending" often indicates that regulatory approval needed for actual merger has not been obtained.				
Nestle S.A. Conglomerate	Chef America Inc. Food	8/6/02	9/12/02	2.6 ³
Xstrata AG Minerals company	Glencore International coal fields Commodity trader	2/21/02	3/20/02	2.5 ⁴
Cisco Systems Inc. Networking router maker	Andiamo Systems Storage area networking switchmaker	8/20/02	Pending*	2.5 ⁴
David Murdock Investor	Dole Food, Inc. Food company	9/23/02	Pending*	2.5 ⁴
E.ON A.G. Energy	TXU U.K. operations Energy	10/21/02	10/21/02	2.5 ⁶
Crédit Agricole Banking and finance	Finaref Software manufacturer	12/23/02	Pending*	2.5 ²
Nestle S.A. Conglomerate	Dreyer's Grand Ice Cream, Inc. Ice cream maker	6/17/02	Pending*	2.4 ⁵
Barilla Group Food	Kamps A.G. Food	4/15/02	9/25/02	2.3 ²
Gecina S.A. Real estate	Simco S.A. Real estate	8/7/02	10/2/02	2.3 ²
General Electric Co. Conglomerate	ABB Ltd. financing division Conglomerate	9/4/02	11/29/02	2.3 ⁶
R.H. Donnelly Co. Directory sales representative	Sprint Inc., directory div. Directories	9/22/02	Pending*	2.23 ⁴
DSM N.V. Conglomerate	Roche S.A. Pharmaceuticals	9/3/02	Pending*	2.21 ⁴
America Movil S.A. Telecommunications	Telecom Americas S.A. Telecommunications	6/10/02	7/24/02	2.2 ⁴
General Electric Co. Inc. Conglomerate	Instrumentarium Corp. Oy Medical technology	12/18/02	Pending*	2.2 ²
Electricité de France, S.A. Power company	Seaboard div. AEP Corp. Power company	6/18/02	6/18/02	2.1 ⁵
IBM IT company	Rational Software Software company	12/5/02	Pending*	2.1 ⁴
Hitachi KK Conglomerate	IBM, hard disk drive division IT company	6/04/02	12/31/02	2.05 ³
Petro-Canada Oil company	Veba oil fields (owned by BP plc) Oil Company	1/30/02	5/2/02	2.0 ⁴
Scottish & Newcastle Plc Brewers	Hartwall Oyj Brewers	2/14/02	7/3/02	2.0 ⁴
Saudi Basic Industries Petrochemicals	Petrochemical div. DSM N.V. Conglomerate	4/4/02	6/30/02	2.0 ⁴

Note: Values given for transactions are expressed as the value of the combined assets of the two firms when there is a merger. In an acquisition, the value shown is the purchase price of the target corporation. These figures sometimes vary from one source to another and can change as the market value of the company's stock changes; values are shown in U.S. Dollars. U.S. Dollar value can fluctuate with changes in exchange rates. The values shown above are derived from the following sources:

¹ Source for value: *Mergers & Acquisitions*.

² Source for value: *Mergerstat*.

³ Source for value: *The Wall Street Journal*.

⁴ Source for value: *The Financial Times*.

⁵ Source for value: *The Washington Post*.

⁶ Source for value: *bloomberg.com*

⁷ Source for value: *forbes.com*

Sources: *Mergerstat Online* (<http://www.mergerstat.com>); *Mergers & Acquisitions Magazine*, various issues; *The Wall Street Journal*, various dates; *The Financial Times*, various dates; announcement and closing dates from *The Wall Street Journal* or *The Financial Times*, various dates.