



Case & Project Experience

NERA's Role in The Men's Wearhouse Acquisition of Jos. A. Bank

The Situation

In March 2014, after months of negotiations, buyout offers, and counter proposals, The Men's Wearhouse, Inc. announced an agreement to purchase rival Jos. A. Bank Clothiers, Inc. in a deal that would create the country's fourth-largest men's retailer. The deal was subject to a review of potential antitrust concerns by the US Federal Trade Commission (FTC).

NERA's Role

In late 2013, NERA expert Graeme Hunter and Affiliated Academic Michael Baye (former Director of the FTC's Bureau of Economics) were retained by counsel for Men's Wearhouse to conduct empirical analyses of the competitive environment for the sale of men's suits and for tuxedo rentals, and to assess the likelihood of anticompetitive price effects resulting from the merger. NERA experts used transaction-level data from both parties to conduct econometric analyses to show that the two parties were not each other's closest competitors and that the combined entity would still face significant competition from other brick-and-mortar stores. NERA also worked with the parties to identify the plethora of other retailers of men's suits and tuxedo rentals. Ultimately, the analysis showed the proposed merger was unlikely to result in competitive harm.

The Result

On 30 May 2014, the FTC closed the investigation, noting that the merger was not likely to harm consumers because of significant competition from other men's clothing retailers.

About NERA

NERA Economic Consulting (www.nera.com) is a global firm of experts dedicated to applying economic, finance, and quantitative principles to complex business and legal challenges. For over half a century, NERA's economists have been creating strategies, studies, reports, expert testimony, and policy recommendations for government authorities and the world's leading law firms and corporations. With its main office in New York City, NERA serves clients from more than 25 offices across North America, Europe, and Asia Pacific.

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