

# Honeywell says regulators wouldn't prevent United Tech deal

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Industrial conglomerate Honeywell is touting the benefits of a possible combination with United Technologies and says regulators wouldn't be a big obstacle to the deal.

Honeywell says consumers would benefit if it combined with United Technologies because the combined company would have a broader range of products. It also thinks the companies could cut \$3.5 billion in costs after a merger and that they would be in a stronger financial position than their competitors. It says the two sides have discussed a deal over the past year.

United Technologies stock jumped almost 5 percent Monday on reports the companies had discussed a merger. After the market closed, the company said it had talked to Honeywell about a deal, but decided it wasn't feasible because regulators would not let two of the largest aerospace and commercial building companies combine. In regulatory filings each company lists the other as a major competitor in the aerospace industry. United Technologies' filing specifies that its Pratt & Whitney jet engine business competes with Honeywell's aircraft engine business.

Honeywell, based in Morris Plains, New Jersey, reported a profit of \$4.77 billion in 2015 on \$38.6 billion in revenue, while United Technologies of Farmington, Connecticut, earned \$7.61 billion on \$56.1 billion in revenue.

Honeywell International Inc. shares slipped 93 cents to \$103.64 Tuesday, giving the company a market capitalization of almost \$80 billion. United Technologies Corp. stock declined 77 cents to \$91.60, and its valuation is just under \$77 billion.

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