

Honeywell walks away from \$90B bid for United Technologies

March 1 2016



This Jan. 18, 2011, file photo, shows the Honeywell Specialty Materials plant in Metropolis, Ill. Honeywell International Inc. said Tuesday, March 1, 2016, that it is abandoning its \$90 billion buyout attempt of rival United Technologies. United Technologies Corp. had rejected the offer, saying a tie-up of the two industrial conglomerates would never be approved by anti-trust regulators. (Steve Jahnke/The Southern Illinoisian via AP, File)

Honeywell abandoned a bid worth more than \$90 billion for rival United Technologies, saying it did not want to force a deal with an unwilling partner.

United Technologies rejected the offer last week, saying a tie-up of the

two industrial conglomerates would never be approved by anti-trust regulators.

Honeywell said it disagreed, but that it would not go any further if United Technologies was not willing.

The two companies had held talks for some time before those negotiations became public. United Technologies had brought up the possibility of combining the companies in 2011 and 2015, Honeywell said.

During a meeting last month, Honeywell said it was told by United Technology executives that "such a combination would be fabulous" and that "they would take it very seriously."

At some point the mood soured however, and Honeywell says United Technologies has since been unwilling to engage in negotiations.

United Technologies said Tuesday that Honeywell's retreat "is the appropriate outcome given the strong regulatory obstacles."

Both companies are big players in the aerospace sector. Honeywell, based in Morris Plains, New Jersey, also makes thermostats and security systems. United Technologies, of Farmington, Connecticut, also makes elevators and fire alarms.

Shares of Honeywell International Inc. rose \$3.23, or 3.2 percent, to \$104.58 in morning trading Tuesday. United Technologies Corp. shares fell \$3.07, or 3.2 percent, to \$93.55.

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