

EU regulators to block Amazon-iRobot deal, report says

By [Hiawatha Bray](#) Globe Staff, Updated January 18, 2024, 11:27 p.m.



In November, European officials said they were worried that Amazon, the world's leading online retailer, could use its market power to hamper other makers of robot vacuums, such as Needham-based SharkNinja. SOPHIE PARK/BLOOMBERG

The European Commission, the antitrust watchdog for the European Union, has reportedly dealt a major blow to [Amazon's](#) plan to acquire Bedford-based home robot maker [iRobot](#).

The Wall Street Journal, citing unnamed sources, said that on Thursday Amazon was told by European Commission officials that they planned to block the deal over concerns that it would hamper competition in the market for robotic home vacuum cleaners. However, it's still possible that the leaders of the European Union's 27 member countries might override the commission and approve the deal.

In November, European officials said they were worried that Amazon, the world's leading online retailer, could use its market power to hamper other makers of robot vacuums, such as Needham-based [SharkNinja](#). The regulators said that Amazon might make its own vacuums easier to locate and purchase on the company's website. Amazon might also charge rival companies higher fees to advertise their vacuums.

The US Federal Trade Commission, which is still reviewing the \$1.4 billion acquisition, could follow Europe's lead. Its chair Lina Khan has harshly criticized Amazon for alleged abuses of its market power. The FTC has already filed a separate antitrust complaint against Amazon for blocking companies that sell on the site from offering their products at lower prices on other sites.

Ben Z. Rose, president of analyst firm Battle Road Research in Lexington, said that the European Commission's worries about unfair competition "is right in the crosshairs of what the FTC is looking at." He said the US agency is likely to block the acquisition for the same reason, unless Amazon and iRobot give up on the deal.

Will Duffield, an adjunct scholar at the Cato Institute, a libertarian think tank, denounced the decision. "It's an outrageous shame to see the European Union prevent two American companies from joining forces to compete with growing Chinese competitors like [Ecovacs](#) and [Roborock](#)," Duffield said..

But Krista Brown, senior policy analyst of the [American Economic Liberties Project](#), said the Europeans made the right choice.

"Allowing Amazon to buy Roomba would mean allowing the company one more set of tools to create an unequal playing field, and not just in the robot vacuum market," said Brown. "These vacuums have cameras and sensors that pick up on every inch of tens of millions of users' homes, and Amazon would absolutely leverage that data in other business lines. So, if the European regulators do in fact block this, it's great news."

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