
Companies & Markets

DoJ's antitrust chief to join top law firm

By Helen Thomas and Kara Scannell in New York and Stephanie Kirchgaessner in Washington

Christine Varney, head of the US Department of Justice's antitrust division, is leaving the government to join Cravath, Swaine & Moore, a leading law firm known for its mergers and acquisitions work.

"I am delighted to confirm that Christine Varney will be joining us as a partner on September 6," said Allen Parker, deputy presiding partner at Cravath, Swaine & Moore.

Cravath has a highly rated antitrust practice, which successfully secured the DoJ's approval last year for the airline merger between United and Continental. But it does not have an office in Washington and rarely hires externally.

Ms Varney, who is expected to move to New York, will be subject to strict rules limiting her access to the antitrust division.

Nearly all of Ms Varney's predecessors in Republican and Democratic administrations

have left the DoJ for private practice. The timing of her departure – while unexpected in the department – was seen by some Washington insiders as practical because it is generally preferable for officials to leave an administration well before a general election.

The department is examining several high-profile cases, including AT&T's \$39bn deal to buy T-Mobile USA, and was seen by practitioners to be ramping up activity.

The DoJ in May said it would sue to stop Nasdaq OMX and IntercontinentalExchange's break-up bid for NYSE Euronext and has recently stepped in to stymie several smaller deals.

Ms Varney leaves with a reputation for having negotiated tough enforcement policies on a handful of mergers, including Comcast's purchase of NBC Universal and Ticketmaster's merger with LiveNation. She had also put a greater emphasis on behavioural solutions in mergers, which require conduct restrictions on companies.

David Balto, a public interest antitrust attorney and senior

fellow at the left-leaning Center for American Progress, said Ms Varney had transformed the antitrust agency "from being relatively moribund to having an effective and progressive enforcement agenda that makes a real difference to consumers".

But while antitrust attorneys feared early in her tenure – partly based on her public comments – that Ms Varney would take an aggressive stance, she blocked relatively few transactions. "The law doesn't change and the people in the division largely don't change, and so the outcomes don't necessarily change. It's not surprising that there would be consistency, and that is generally a healthy thing," said Tom Barnett, a former antitrust chief under President George W Bush.

In Washington, there was speculation that Ms Varney could be replaced by Bill Baer, who heads the antitrust practice at Arnold & Porter, or Sharis Pozen, Ms Varney's deputy.