37 Of The Worst Corporate M&A Flops

1. Microsoft and Nokia

Date: April 25, 2014

Price: $7.9B

Microsoft was late to the mobile game and quickly fell behind Apple and Android in the platform wars. While November 2010 saw the release of the new Windows Phone with a new platform, it never caught on with consumers. In 2013, Microsoft CEO Steve Ballmer saw an opportunity in Nokia, a Finnish phone company that was losing ground to competitors. Ballmer led Microsoft's purchase of Nokia for over $7B in a deal finalized in 2014. But the acquisition quickly turned into a flop as their new joint project, the Lumia phone line, didn't garner the developer and carrier partnerships needed for the phone to catch on. Ballmer left Microsoft that same year and new CEO Satya Nadella had to do significant restructuring and layoffs to streamline the company, including cutting 15,000 Nokia employees. In 2015, the acquisition was written down for $7.6B.

2. Google and Nest

Date: January 13, 2014

Price: $3.2B

In 2014, Google sought to make an entrance into smart homes by acquiring Nest Labs, a four-year-old startup founded by two ex-Apple engineers, Tony Fadell and Matt Rogers. While Google excelled in building software, it lagged behind in hardware and product innovation. By acquiring Nest, Google wasn't only acquiring the cutting-edge of smart home innovation, it was also bringing Tony Fadell, co-creator of the iPod, on board. But after the acquisition, product innovation at Nest stalled due to internal fighting and politics. Both founders later departed the company.

3. Yahoo and Tumblr

Date: May 20, 2013

Price: $1.1B

On the eve of Yahoo's acquisition of social networking platform Tumblr, then Yahoo CEO Marissa Mayer wrote a Tumblr post promising "not to screw it up." She also estimated that the rapidly growing social networking site could help grow Yahoo's audience by 50%, allowing it to compete with companies like Google and Facebook. By 2015, however, Tumblr was still failing to turn a profit. Marissa Mayer merged Tumblr's ad sales team with the team at Yahoo while giving the team an unrealistic $100M sales target for the year, sparking an employee exodus. After Tumblr still failed to hit sales targets, Yahoo rolled back the integration and ultimately wrote off losses of $712M from its failed Tumblr acquisition.

4. Zynga and OMGPOP

Date: March 21, 2012

Price: $210M

Zynga, creator of Facebook games Farmville, Mafia Wars, and about a dozen different types of online slot machine games, paid $210M in 2012 for OMGPOP, creators of DrawSomething!, a viral gaming hit for iOS and

Android. But the game suffered an almost-immediate drop-off in popularity, going from 15M daily active users to 10M in the first month alone. Plus, it seems Zynga didn't really have a plan for the acquisition. Only months later, after the acquisition, Zynga laid off 18% of their total workforce, including many from OMGPOP, and closed down three of OMGPOP's offices. Zynga phased out four of OMGPOP's remaining games that year.

5. Caterpillar and ERA

Date: 2012

Price: $677M

In a deal that aimed to open the Chinese coal markets, US heavy-equipment behemoth Caterpillar paid $677M in 2012 to acquire ERA Mining Machinery Ltd. ERA was the holding company for Zhengzhou Siwei Mechanical & Electrical Equipment Manufacturing Co Ltd., a leading producer of hydraulic coal-mine roof supports in China. The Chinese coal market is one of the biggest in the world and this deal looked like easy money. But money was just the problem: due diligence oversights on Caterpillar's part and alleged "deliberate, multi-year, coordinated accounting misconduct" at Siwei were uncovered months after the deal closed and Caterpillar took a $580M non-cash goodwill impairment write-down in 2012. Siwei's former CEO, Wang Fu, claimed no wrongdoing, but Caterpillar's investment still tanked and over 2,000 Siwei workers were terminated or furloughed in the wake of the discovery.

6. HP and Autonomy

Date: October 2011

Price: $11.1B

Chairman and CEO Leo Apotheker, during his brief time in charge at HP, backed the company's $11.1B acquisition of Autonomy, a European data analytics company. Aside from baffling industry experts as to how the new company would fit into HP's strategy, it came out in 2012 that Autonomy had cooked its books and had been massively overvalued during the acquisition. With Apotheker fired in 2011 for a slew of missteps that had contributed to the company's massive losses, nothing ever came of the acquisition. Instead, Autonomy's purchase was written down as a $9B loss and in 2016 HP sold off their Autonomy assets.

7. Google and Motorola

motorola

a Google company

Date: August 15, 2011

Price: $12.5B

Google's Android OS already had huge market share in 2012, so when it acquired phone and tablet powerhouse Motorola for $12.5B, the goal was to develop top-tier mobile devices. What ensued, instead, was a nosedive by Motorola, which included the release of a series of underwhelming phones and a broken promise to upgrade older Motorola phones already in consumers' hands to the latest Android OS. For Google's part, it kept releasing its own branded phones under the Nexus brand, partnering with Samsung, Asus, and LG to manufacture these devices, and further eroding the value of the Motorola acquisition. Motorola did come out with one notable phone, the Moto X, which was made in the US and received a fair amount of attention for its highly customizable build, but it failed to find a following. After only two years, Google sold Motorola to Lenovo for $2.9B. The company did keep many of Motorola's patents and its research facility, however.

8. Cisco and Pure Digital

Date: May 21, 2009

Price: $590M

When Cisco paid almost $600M for Pure Digital in 2009, it probably seemed like a great investment for their consumer products department; Pure Digital's Flip HD digital camera was a hot seller at the time. Unfortunately for Cisco, this was also right around the time when high-definition digital cameras were becoming standard in every smartphone. In 2011, Cisco killed the Flip and then proceeded to gut their consumer products division in an overall realignment designed to get Cisco focused on networking again, according to then-CEO John Chambers.

9. Arby's and Wendy's

Date: Sep 29, 2008

Price: $2.34B

While Wendy's was never really in a position to unseat McDonald's as the country's top fast-food burger chain, its 2008 acquisition by Nelson Peltz (the billionaire owner of Arby's) and merger with the roast beef sandwich chain never got it any closer to fast-food dominance. One professed reason for the $2B+ acquisition was to help both companies benefit through increased scale. But their combined forces didn't help Wendy's improve sales and failed to have a meaningful impact on Arby's. Three years later the then-named Wendy's/Arby's Group sold off Arby's to private equity firm Roark.

10. Bank of America and Countrywide

Date: July 1, 2008

Price: $4.1B

For financial giant Bank of America, the $4B acquisition of mortgage lender Countrywide in 2008 probably seemed like a natural way to grow the business. The housing bubble bursting that same year had the opposite effect and various penalties and real estate losses relating to Countrywide's lending practices ended up costing BofA about $40B, all told. The Wall Street Journal would refer to the acquisition as “the worst deal in the history of American finance.”

11. Microsoft and Danger Inc.

Date: April 15, 2008

Price: $500M

When mobile phone company Danger Inc was created in the heady days of 2000 with execs from Apple, Phillips, and WebTV, it looked like a leadership dream team. Its best-known early product was the “Danger Hiptop,” rebranded as the “T-Mobile Sidekick.” By 2008, they’d caught the eye of Microsoft, which acquired them for an undisclosed amount, rumored to be in the neighborhood of $500M, and folded all of Danger’s employees into their Mobile Communications Business to work on a forthcoming mobile platform. In October 2009, one of Danger’s data centers, which hosted personal customer data, suffered a catastrophic failure that took them two months to recover from. Meanwhile, after two years of development and about a billion dollars spent, a new phone rolled out in April of 2010 under the name Microsoft KIN. Unfortunately, that phone failed so spectacularly that it’s on our list of corporate innovation fails. The Kins 1 and 2 launched without instant messaging, calendar support, GPS, and more, and they came down after only about six weeks on the market.

12. Microsoft and aQuantive

Date: May 18, 2007

Price: $6.3B

Analysts trace Microsoft's decision to buy ad company aQuantive for $6.3B in May of 2007 to Google's $3.1B acquisition of DoubleClick the previous month. The trend in internet advertising was shifting away from search and towards display ads, which aQuantive could have helped Microsoft with, but the software giant didn't go down that path. In interviews, former aQuantive leaders and employees said that Microsoft's focus on search instead of display advertising, among other issues, kept the newly acquired company from having a game-changing impact on the venerable corporation. Many execs and skilled employees left the company in a protracted case of brain drain. By 2012, Microsoft would take a $6.2B write-off, mostly related to aQuantive.

13. Alcatel and Lucent

Date: November 30, 2006

Price: $13.4B

The merger of Alcatel and Lucent was supposed to create a multinational telecommunications powerhouse capable of dealing with the rising threat of low-cost Asian manufacturers. Instead, the merger was plagued by a complex deal structure and cultural clashes between the French Alcatel and US-based Lucent. By 2008, six consecutive quarterly losses later, CEO Patricia Russo and former Alcatel CEO Serge Tchuruk resigned from the company, reportedly unable to work together. The company continued to struggle until 2016, when Nokia acquired the company.

14. Toshiba and Westinghouse

TOSHIBA Westinghouse

Date: February 6, 2006

Price: $4.2B

In the mid-2000s, the nuclear energy business was supposed to take off, and Japanese conglomerate Toshiba wanted a slice of the pie and purchased Westinghouse Electric, one of the largest manufacturers of nuclear reactors in the world. Toshiba already built nuclear power plants locally in Japan, but the acquisition would allow it to expand and win contracts in new markets like China and India. Toshiba obtained 77% of the nuclear power company for $4.2B — a decision that nearly caused the Japanese company to go bankrupt. The problems stemmed from higher than expected construction costs and delays at two American plants. Toshiba was forced to write off $6.3B in losses, declare bankruptcy at Westinghouse, and eventually to sell the Westinghouse unit to Brookfield Asset Management.

15. eBay and Skype

Date: September 2005

Price: $2.6B

When eBay's leaders acquired VoIP business Skype for $2.6B in 2005, the thinking was that enhanced communications technology would help buyers and sellers better connect. The outcome was less than spectacular, though, with few eBay users (buyers, sellers, or shippers) having any real reason to communicate in any way besides email. eBay also changed the management team in charge of Skype a reported four times during its four years with the e-commerce site, before selling off 65% of the company to Silver Lake, Andreessen Horowitz, and the Canada Pension Plan Investment Board in 2009 for $1.9B.

16. Sprint and Nextel

Date: August 12, 2005

Amount: $35B

In a move which the companies themselves referred to as a "merger of equals," wireless companies Sprint and Nextel worked out a $35B merger in 2005. The companies served different user bases: Nextel was more of a business brand, with customers often drawn to its signature walkie-talkie technology. Sprint, on the other hand, was aimed at consumers and emphasized data communications, right around the time when smartphones were just about to catch on. Unfortunately, the benefits of this union never materialized. The two companies' networks proved difficult to integrate and top Nextel executives started leaving almost immediately after the merger. By 2008, Sprint would write down Nextel's value to the tune of almost $30B. The company shut down Nextel's networks in 2013.

17. Myspace and News Corp

Date: July 2005

Price: $580M

Before there was Facebook, there was Myspace. In 2006, it was the most-visited website in the US, even beating out Google. That skyrocketing popularity is likely what made Rupert Murdoch's News Corp think it was worth spending $580M to acquire the social network. And in the short-term, that would have looked like a good deal, as the social media site hit its peak in 2007 at a value of about $12B. At that point, though, some critical mistakes were made. For starters, rather than doubling down on its value as a social network, News Corp chose to focus on making the site a music and entertainment portal. With a number of poorly executed redesigns aimed at increasing ad income, the final blow came from none other than Facebook: The then-fledgeling social network had an API that allowed other companies to build new applications for Facebook, while Myspace kept all development in-house. As of April 2009, Facebook had already caught up to Myspace in unique visitors, and by April 2011, Myspace would see fewer than 40,000 unique monthly visitors to Facebook's 150,000+. Specific Media and Justin Timberlake bought up the once-mighty network for about $35M in 2011, a considerable loss from what News Corp paid for it and even more of a loss from its formerly sky-high valuation.

18. Sears and Kmart

Date: March 24, 2005

Price: $11B

When you're a powerhouse brand, it can be hard to see that the times are changing. In the early 2000s, venerable retailers Sears and Kmart began losing ground to Walmart and Target, with Kmart even filing for Chapter 11 in 2002. Then, in 2005, Eddie Lampert, of the hedge fund that controlled Kmart, saw an opportunity in Sears' diminished status to acquire the company, merge it with Kmart, and create the combined "Sears Holdings." Sears' had already started buying up Super Kmart locations as part of its strategy of opening off-mall stores, and the merger helped speed that up. In addition, the merged companies were also meant to share proprietary brands and achieve cost savings by reconciling supply chain and administrative overhead. Whatever the hopes were before the acquisition, though, there haven't been major positive impacts on either brand; Sears has lost about $7B since the merger. During 2014 and 2015, sizable chunks of the Sears business were sold off, including Lands' End and the company's stake in Sears Canada. Sears declared bankruptcy in October 2018.

19. Cisco and Linksys

Date: March 20, 2003

Price: $500M

When top networking company Cisco acquired Linksys in 2003 for $500M, it seemed like a natural fit: Cisco would continue catering to larger organizations, while Linksys would keep selling to home/small business customers. That plan might have worked, if Linksys' market hadn't quickly become saturated with competitors (Netgear, D-Link, etc.). At the same time, ISPs were starting to provide and sell their own routers to customers, which further shrank the market for these once-critical devices. Under Cisco, product quality at Linksys also slipped and even a complete redesign of Linksys' products in 2011 turned out to be too little, too late. In 2013, Cisco decided to cut its losses in the consumer products division and sell Linksys off to Belkin.

20. HP and Compaq

Date: September 3, 2001

Price: $25B

In the early 2000s, HP and Compaq were the two giants of the personal computer business, but they were rapidly losing market share to lower-cost rivals such as Dell. HP's Carly Fiorina believed the merged company, with annual sales of approximately $90B, would give HP a greater economy of scale in the PC business, allowing it to compete in an increasingly commoditized industry. While the merger may have made sense on paper, the problem was integrating two separate, highly complex entities. HP and Compaq's core businesses overlapped, and one of the key reasons for the merger was that it would enable cost-cutting. The company cut 15,000 employees, nearly 10% of its workforce, by 2005. Before the merger, HP's share price sat at around $10 per share. A year later, it dropped to $6.

21. Credit Suisse and Donaldson, Lufkin & Jenrette

Date: August 20, 2000

Price: $11.5B

In 2000, the Swiss bank Credit Suisse acquired the brokerage Donaldson, Lufkin & Jenrette (DLJ) in an effort to bolster its investment banking arm. Credit Suisse paid nearly three times the book value for DLJ, and got little in return. The biggest problem was one of culture, and much of DLJ's key talent left the company following the acquisition. Nearly two decades after the acquisition, in 2016, Credit Suisse wrote-off $3.8B in losses associated with the acquisition of DLJ.

22. Terra and Lycos

Date: May 16, 2000

Price: $12.5B

At the peak of the dot-com bubble, the web portal company Lycos was flying high, with an estimated 50M users and 175M page views per day. Eager to get in on the action and capitalize on the growing number of Latin American internet users, the Spanish telecom company Terra Networks purchased Lycos in a $12.5B stock-for-stock deal. Lycos simply couldn't compete with better offerings from the likes of Google, and in 2004, Terra sold Lycos for a meager $95M.

23. AOL and Time Warner

AOL Time Warner

Date: February 11, 2000

Price: $164B

In the heady days of the dot-com bubble, the $164B merger of Time Warner and AOL combined old and new media companies into a potential powerhouse. But behind the scenes, things were anything but ideal: the dot-com bubble burst, cultures refused to jibe, and dial-up internet went the way of … dial-up internet. The mega-company reported a $45B write-down in 2003 and then a $100B yearly loss. By 2009, Time Warner had spun off the once-mighty internet titan back into a separate entity.

24. Vivendi and Seagram

vivendi Seagram's

Date: June 19, 2000

Price: $32B

By the mid-1990s, Vivendi had come a long way from its humble origins as a French water company to a media powerhouse, fueled by the acquisitions and deals in the media and telecom industry. In 2000, the company acquired Seagram, the owner of Universal Studios, for a $32B all-stock deal. The internet revolution was just underway, and the acquisition was intended to allow Vivendi to capitalize on Universal's large film and music library through its internet portal, Vizzavi, and compete with AOL Time Warner. Unfortunately, Vizzavi never took off. By 2004, Vivendi was burdened with debt and sold 80% of Vivendi-Universal Studios to GE. It took Vivendi another 15 years of litigation to settle a $26M lawsuit that it had misled shareholders over the deal.

25. Deutsche Bank and Bankers Trust

Deutsche Bank

Bankers Trust®

Date: June 4, 1999

Price: $10.1B

Back in the mid-1990s, Deutsche Bank was looking to compete with Wall Street banks like Goldman Sachs and JP Morgan by acquiring institutions like Bankers Trust, a troubled Wall Street firm that had just suffered a corporate accounting fraud scandal. At the time, Bankers Trust specialized in two things: risky financial derivatives and making loans to businesses that other banks wouldn't take on. Even with the scandal, by buying Bankers Trust, Deutsche Bank became a global investment bank. For a time, it seemed like the gamble had paid off. In mid-2007, Deutsche Bank was the world's biggest bank, with nearly $2T in assets. But 16 years after it bought Bankers Trust, Deutsche Bank wrote off billions of dollars from the acquisition.

26. Yahoo and Geocities

yahoo! GeoCities

Date: January 28, 1999

Price: $3.6B

Not much of a story here: no malfeasance, no massive product failures, just a lack of investment and strategic direction. In the midst of the tech bubble of the late 90s, Yahoo!, then one of the internet's earliest powerhouses, acquired GeoCities, then one of the internet's earliest webhosting services. The result was … nothing. Yahoo never did anything with the newly acquired company and 10 years later shut it down. At the time there were close to 40M sites live on GeoCities.

27. Daimler-Benz and Chrysler

DAIMLERCHRYSLER

Date: November 12, 1998

Price: $36B

Combining two of the biggest names in the car world in 1998 seemed like a sure thing. Daimler bet heavily on the union, paying $36B to merge with Chrysler. But leadership changes quickly created issues for the merged company. The retirement of Chrysler CEO Bob Eaton led to Daimler taking majority control, and soon after, other high-ranking Chrysler executives, including the president and vice-chair, were forced out. With Daimler in full control, it immediately began pouring resources into Chrysler, but language and cultural differences and misjudged product launches saw Chrysler losing market share quickly. A recession and continued poor sales spelled the end of this once-promising union. In 2007, Daimler sold off 80% of Chrysler to Cerberus Capital Management for $7B.

28. Northern Telecom and Bay Networks

Date: June 1998

Price: $9.1B

This merger seems to have been a victim of the dot-com bubble of the late 90s/early 2000s. Originally a Bell subsidiary founded in 1880, by the 90s Northern Telecom was one of Canada's most important tech companies. In 1998, the company was doing so well that it had $9B to spend acquiring network hardware vendor Bay Networks. The new company renamed itself Nortel Networks and envisioned a path to success built primarily on selling fiber optic networking equipment. Wall Street saw dollar signs and speculation drove stock prices to highs like C$124 ($90) per share and a market cap of C$398 billion ($268) in September of 2000. The stock crash would leave the company trading at C$.47 ($.32) in August of 2002. It filed for Chapter 11 in January of 2009.

29. Mattel and the Learning Company

Date: 1998

Price: $4.2B

Mattel has been a big name in old-fashioned toys for decades, but in 1998 the company decided to try to get into the burgeoning high-tech toys and software game by acquiring The Learning Company, makers of “Where in the World is Carmen Sandiego?” and “Myst,” in a stock-for-stock deal that valued TLC at about $4.2B. Problems started almost immediately, as a high volume of year-end returns came back to The Learning Company, causing it to show a $206M loss for 1999. This was a huge hit to Mattel’s bottom line. A year later, Mattel in effect gave away its burdensome acquisition to Gores Technology Group in a zero-cash-upfront deal. Mattel took an after-tax loss of $430M, with a possibility of making some money back if Gores got the company to profitability, which did actually happen only 75 days after the handoff. Then, in 2001, Gores sold some non-core entertainment assets to French video game company Ubisoft and education assets to Riverdeep, a software company that develops K-12 learning solutions.

30. Novell and WordPerfect

Date: June 1994

Amount: $1.4B

The dominance of MS Office and Google Docs makes it hard to remember a time when there were any other major word processing programs in use. But in 1986, WordPerfect was the most popular word processing software in the US, duking it out with Microsoft to see who would come out on top. Then in 1994, soon after acquiring operating system Unix, networking company Novell decided to buy WordPerfect for $1.4B, along with Borland Co.'s Quattro Pro spreadsheet software. The idea was to go up against Microsoft by producing Novell's own comprehensive OS-and-utilities package. The company bundled the word processing and spreadsheet systems together, but ultimately couldn't oppose Microsoft Office's ascendancy. Novell ended up selling the once-mighty WordPerfect to Corel two years later for $115M.

31. BMW and Rover

Date: January 31, 1994

Price: $1.43B

BMW's acquisition of Rover in 1994 was driven by two factors: Rover's previous owner, British Aerospace, was in financial difficulty and looking to drop the brand and, at the same time, BMW was looking to expand its offerings. Iconic Rover brands like Land Rover and Mini seemed like a perfect means to reinvigorate the venerable German auto company and so BMW acquired an 80% stake in Rover for £800M ($1.43B) in 1994. Cultural differences kept the two companies from really meshing, though, and Rover starting taking heavy losses almost immediately. Eventually BMW started selling off Rover assets, including the Land Rover name itself to Ford in 2000. BMW kept the Mini brand, though, which the company still sells.

32. Quaker and Snapple

Date: 1994

Price: $1.7B

Here's one for the CPG fans: In 1987, Quaker Oats acquired Gatorade. That union worked so well that the company decided to double down with the acquisition of Snapple for $1.7B in 1994. One of the first criticisms levied against the beloved breakfast cereal company was that it'd overpaid for Snapple. But then Quaker Oats embarked on a botched marketing campaign to get Snapple into grocery stores and restaurants, ignoring the drink's niche in gas stations and convenience stores. Nothing it did seemed to work and about two years later Quaker Oats sold off Snapple for $300M — "Real Facts" and all.

33. Novell and UNIX

Date: June 1993

Price: $350M

In 1991, Novell was a force to be reckoned with in the business networking game, with their NetWare software well-regarded and popular for local area networking. But when Microsoft included networking elements in Windows for Workgroups 3.1 in 1992 and Windows NT in 1993 the software became a serious threat to Novell. In order to try to stay relevant, Novell bought AT&T's Bell Unix Systems Laboratories (USL) for $350M, with the goal to create a new system that combined Netware's networking abilities with the UNIX operating system. The resulting OS, UnixWare, apparently failed to live up to company expectations and Novell sold USL off to another software company SCO in 1995. The story didn't end there, though – this sale ended up spiraling into a copyright lawsuit that went to court in 2003 and wasn't resolved until 2010.

34. Borland and Ashton Tate

Date: September 1991

Price: $439M

While programming software is common now, in the early '90s, Borland offered some of the earliest programming environments and database products. Meanwhile, former database powerhouse Ashton-Tate was busy cranking out its own software, which also included programming environments and compilers. By this logic, the union of the two companies in 1991 made sense. But they merged right as Microsoft's Visual C++ was on the ascent and the combined company quickly lost ground to the new programming language. The company later renamed itself Inprise, sold off some assets, then changed its name back to Borland, and was eventually acquired by Micro Focus in 2009.

35. AT&T and NCR

Date: September 1991

Price: $7.4B

AT&T isn't just one of the largest communications conglomerates in the world, it's also home to AT&T Labs research division, which has been responsible for countless discoveries and innovations, including developing new types of software like Uwin, a program allowing Windows programs to run on Unix operating systems. With that wide-ranging technical expertise and the growing internet craze in 1991, the hostile takeover of computer company NCR for about $7.4B likely seemed like a logical step. But when the newly acquired company couldn't turn a profit, it became a liability. AT&T would go on to pour billions of dollars into the failing company, which would report losses of over $5B in the period between 1993 and 1996. The final blow came when AT&T did some massive restructuring in 1996 and spun NCR out at a value of $4B.

36. Sony and Columbia Pictures

Date: September 25, 1989

Price: $4.8B

In 1989, Sony paid $3.2B in cash and $1.6B in debt to purchase Columbia Pictures. Sony paid a steep premium on the deal, shelling out an estimated $27 per share compared to Columbia's share price of $12 at the beginning of that year. Recognizing the mismatch between corporate cultures, Sony executives mistakenly made the decision to allow Columbia to operate independently and autonomously. Costs at Columbia Pictures ballooned, while most of its big-budget films produced in the years following the deal flopped. By 1994, Sony had written off $2.7B of its investment in Columbia plus an additional $510M in operating losses from the unit.

37. New York Central and Pennsylvania Railroad

Date: February 1, 1968

The Pennsylvania and New York Central Railroad Companies were both venerable titans of the industry with roots tracing back to the 19th century. Despite their rivalry, the two applied for a merger in 1962, which would have made the combined company the sixth-largest corporation in America. By the time the merger was approved in 1968, though, shifting travel trends away from rail and towards planes and superhighways, as well as tight regulations and leadership issues, ended up devastating the new $4.6B super-company. In two short years, the company filed for bankruptcy.

Source: CBInsights