

ACTIVITY 24.2

HORIZONTAL AND VERTICAL MERGERS

Instructions: For each entrepreneur, identify which type of merger took place when the main company acquired the other firms.

Entrepreneur	Main Company	Types of Firms Consolidated to Permit Production at a Larger Scale at a Lower Cost	Type of Merger (Circle the correct type of merger.)
Andrew Carnegie (1835-1919)	Carnegie Steel Company	1. Other steel companies 2. Coke and iron ore firms 3. Firms producing lake steamers needed to transport the iron ore	1a. Horizontal 1b. Vertical 2a. Horizontal 2b. Vertical 3a. Horizontal 3b. Vertical
John D. Rockefeller (1839-1937)	Standard Oil Company	4. Assumed ownership of 39 other oil companies	4a. Horizontal 4b. Vertical
Cornelius (1794–1877) and William Vanderbilt (1821-85)	Railroads: Staten Island Railroad and New York & Harlem Railroad	5. Cornelius purchased ferry and steamship companies. 6. They both purchased other railroad companies.	5a. Horizontal 5b. Vertical 6a. Horizontal 6b. Vertical