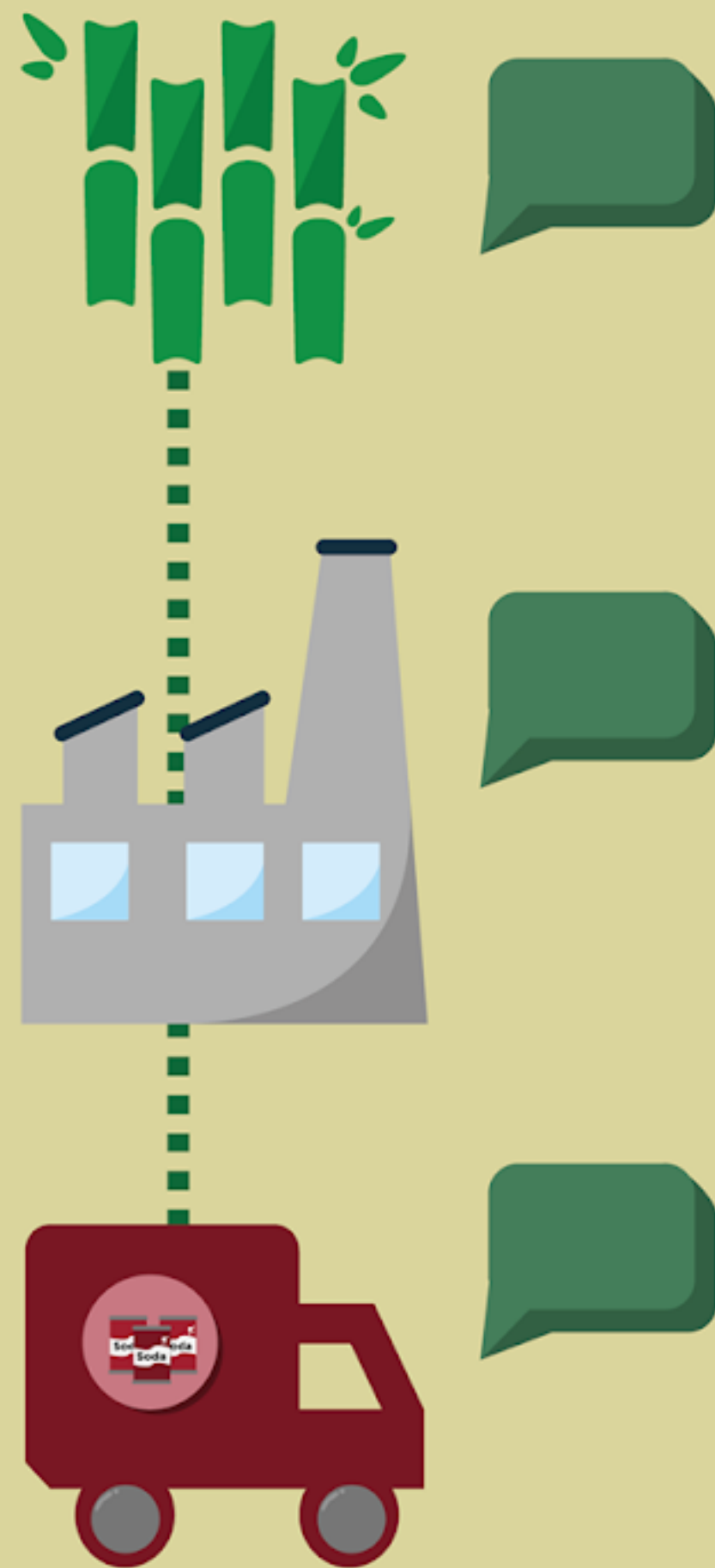


VERTICAL MERGERS



A **vertical merger** is a merger between entities operating at different levels of the production or supply chain, that is, as suppliers or customers of one another. An example is the merger of a firm to another whose inputs include the goods produced by the former.¹