

Microsoft's £50.5bn acquisition of Call of Duty firm to be scrutinised by UK watchdog

Microsoft's proposed acquisition of the the troubled Call of Duty and Candy Crush gaming firm Activision Blizzard for \$68.7bn (£50.5bn) is being investigated.

The [all-cash takeover](#) would give the Xbox maker a leap into the mobile gaming sphere and "play a key role in the development of metaverse platforms", according to Microsoft boss Satya Nadella.

If the deal is approved by regulators it would make Microsoft the third-largest gaming firm in the world by revenue, however many competition authorities are currently investigating it.

The Competition and Markets Authority (CMA) said it will be engaging with its counterparts around the world "as appropriate" and will aim to issue a decision in its Phase 1 investigation after 40 working days, or 1 September.

At the end of the Phase 1 investigation the CMA will have decided whether the merger might harm competition – if this is the case then it will have to launch an in-depth Phase 2 assessment.

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Activision's shares had slumped by almost 40% since hitting a record high last year after [allegations of widespread sexual harassment and other misconduct](#) came to light.

Microsoft said that Activision CEO Bobby Kotick – who had even faced calls to quit from staff over his handling of the claims

– would continue in the role.

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Activision said that while its work to address the problems was continuing, it had fired or pushed out more than 36 staff and disciplined another 40.

Microsoft's move was seen as giving it the edge over fierce console rival Sony – maker of the PlayStation – because of its extended library of games.

Its gaming investments in recent years have included the \$7.5bn acquisition of Minecraft maker Mojang Studios.