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Gibson Dunn Wins Approval of HPE's Settlement of DOJ Challenge to $14 Billion Juniper Merger

Firm News | August 14, 2026

On August 12, 2026, Gibson Dunn won a significant victory for client Hewlett Packard Enterprise Company (HPE) in a case involving the Department of Justice's challenge to HPE's $14 billion acquisition of Juniper Networks, when the United States District Court for the Northern District of California approved HPE's and DOJ's settlement of the lawsuit, notwithstanding vehement opposition to the settlement by a group of state attorneys general.

After HPE and Juniper announced their merger in early 2024, the DOJ sued in January 2025 to block the deal on the theory that it would substantially lessen competition in the U.S. market for enterprise-grade wireless local area networking (WLAN) solutions. Gibson Dunn served as trial counsel to HPE, along with other co-counsel. On June 27, 2025—less than two weeks before the scheduled bench trial—the parties reached a settlement in which HPE agreed to divest its "Instant On" wireless networking business and license the source code for certain Juniper software that uses artificial intelligence to manage WLAN networks (known as "AI Ops").

The parties' settlement was subject to Court approval under the Tunney Act, which requires that settlements of antitrust actions brought by the DOJ be in the "public interest." In the fall of 2025, a coalition of state attorneys general intervened in the Tunney Act proceedings to challenge the settlement and potentially force the lawsuit to continue. Gibson Dunn led HPE's defense of the settlement and scored an important victory when the Court denied the States' request to enjoin the merger pending completion of the Tunney Act process. The Tunney Act proceedings then continued through nearly three months of discovery—including substantial document discovery and numerous depositions—before concluding with briefing on motion for entry of final judgment.

On August 12, the Court issued its final ruling approving the settlement, rejecting each of the States' substantive challenges and concluding that the settlement is in the "public interest." The Court held that the Instant On divestiture could "promote competition in the market," noting that Instant On already serves enterprise customers of all sizes and that smaller providers have historically scaled from small- and medium-business customers into the enterprise segment. The Court explained that the license to the AI Ops source code would "provide AI Ops ... to an independent entity who could use it to compete against HPE." In sum, the Court concluded that "[g]iven the risks that the United States would have faced at trial due to the relatively low market shares of HPE and Juniper, the fact that the proposed consent decree requires HPE to divest assets that others may be able to use to compete with HPE in the enterprise-grade WLAN solutions market, and the possibility that the United States could choose to walk away entirely from its challenge to the proposed acquisition if the settlement is not approved, entry of the proposed settlement serves the public interest."

The case is *United States of America v. Hewlett Packard Enterprise Co., et al.*,

Related People

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5:25-cv-00951-PCP (N.D. Cal.).

The Gibson Dunn team representing HPE during the Tunney Act process included partners Sam Liversidge, Steve Weissman, Eric Vandevelde, and Dan Nowicki and associates Courtney Spears, Elizabeth Fosburgh, Kunal Jhaveri, and Sam Askari. The broader team representing HPE in the underlying action included partners Michael Perry, Kristen Limarzi, and Jamie France and associates Matt Butler, Thomas Tyson, Austin Donohue, Ming Lee Newcomb, Jack Zippel, Soumya Kandukuri, and Tate Rosenblatt.

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