FEDERAL TRADE COMMISSION
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FTC Requires Abbott Laboratories to Divest Two Types of Point-Of-Care Medical Testing Devices as Condition of Acquiring Alere Inc.

FOR RELEASE

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TAGS: Health Care | Medical Equipment and Devices | Bureau of Competition | Competition

Abbott Laboratories and Alere Inc. have agreed to a divestiture of two point-of-care medical device products line in order to settle Federal Trade Commission charges that Abbott's proposed $8.3 billion acquisition of Alere will cause harm to competition.

Abbott is a global healthcare company that produces, among other things, point-of-care diagnostic devices designed for use at a patient's bedside. Massachusetts-based Alere is a manufacturer and global leader in the market for rapid diagnostic testing devices.

According to a complaint filed by the FTC, the proposed acquisition would result in market concentration and likely harm competition in the U.S. for the sale of two types of devices: point-of-care blood gas testing systems (which measure blood pH, oxygen, carbon dioxide and electrolyte levels) and point-of-care cardiac marker testing systems (which measure specific proteins in the blood to assess whether a patient is having a heart attack or experiencing congestive heart failure).

Under the terms of a proposed settlement with the FTC, the parties will divest the rights and assets, including all related intellectual property, manufacturing technology, and confidential business information, as follows:

> Alere's blood gas testing system will be divested to Siemens Aktiengelsellschaft, a leading medical device global manufacturer.
>
> Alere's cardiac marker testing system will be divested to Quidel Corporation, a global seller of point of care testing products addressing other conditions such as infectious diseases, gastrointestinal diseases, and other general health point-of-care testing.

The parties must also divest Alere's two Ottawa, Canada facilities to Siemens, and Alere's San Diego, California facility to Quidel. The settlement requires the parties to complete the divestitures to Siemens and Quidel no more than 30 days after the proposed acquisition is finalized.

Further details about the consent agreement – which provides for the Commission to appoint a monitor to ensure compliance with the order, and allows it to appoint a trustee if the parties fail to divest the products as required – are set forth in the analysis to aid public comment for this matter.

Commission staff and the staff of antitrust agencies in Canada and the European Union worked cooperatively to analyze the proposed transaction and remedies.

The Commission vote to issue the complaint and accept the proposed consent order for public comment was 2-0. The FTC will publish the consent agreement package in the Federal Register shortly. The agreement will be subject to public comment for 30 days, beginning today and continuing through Oct. 30, 2017, after which the Commission will decide whether to make the proposed consent order final. Comments can be filed electronically or in paper form by following the instructions in the "Supplementary Information" section of the Federal Register notice.

NOTE: The Commission issues an administrative complaint when it has "reason to believe" that the law has been or is being violated, and it appears to the Commission that a proceeding is in the public interest. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of up to $40,654.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about how competition benefits consumers or file an antitrust complaint. Like the FTC on Facebook, follow us on Twitter, read our blogs and subscribe to press releases for the latest FTC news and resources.

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