

FTC Imposes Conditions on Danaher Corporation's Acquisition of GE Biopharma

Merger likely to reduce competition in highly concentrated markets that supply biopharmaceutical companies with key inputs

FOR RELEASE

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Danaher Corporation has agreed to divest assets to settle Federal Trade Commission charges that its proposed \$21.4 billion acquisition of General Electric's biopharmaceutical business, GE Biopharma, would violate federal antitrust law.

The FTC alleges that the proposed acquisition would substantially lessen competition in the United States (and potentially the rest of the world) in highly concentrated product markets for ten products that companies use to manufacture biopharmaceutical drugs.

Danaher will divest to Sartorius AG all rights and assets to research, develop, manufacture, market, and sell these products. Based in Germany, Sartorius provides bioprocessing equipment and other products to the life sciences industry.

The products to be divested include:

Microcarrier Beads. Used in cell culture bioprocessing, microcarrier beads provide a surface to grow cells. Danaher and GE are the two leading global suppliers, and each other's closest competitors. The acquisition as proposed would reduce the number of major suppliers from three to two.

Conventional Low-Pressure Liquid Chromatography Columns. Conventional LPLC columns are containers that hold chromatography resins used as the adsorbent during the stationary phase. There are only three main suppliers, including Danaher and GE, both of which hold a significant share of the market.

Conventional Low-Pressure Liquid Chromatography Skids. These systems of pumps, valves, sensors, tubing, electronic components, software, and flow paths control the flow of liquid in the columns. GE is the leading supplier; GE and Danaher compete directly in this market; and there are few other significant suppliers.

Single-Use Low Pressure Liquid Chromatography Skids. These skids control the flow of liquid in the same way as conventional liquid chromatography skids, except certain components are disposable. GE is the dominant supplier, and GE and Danaher are two of only three significant suppliers.

Chromatography Resins. These chemically-treated resins constitute the stationary phase in chromatography. Each resin type differs in its chemical characteristics and uses, and each type constitutes a distinct antitrust market. GE and Danaher have competitively significant overlaps in three resin markets: affinity resins, ion exchange resins, and mixed mode resins. GE is the dominant supplier of chromatography resins, and Danaher is a significant, independent competitor.

Low-Pressure Liquid Chromatography Continuous Chromatography Systems. LPLC continuous chromatography systems allow for the simultaneous processing of multiple columns in LPLC. These systems consist of pumps, valves, sensors, tubing, electronic components, software, and flow paths composed of either multi-use or single-use components. Danaher and GE are two of five suppliers.

Single-Use Tangential Flow Filtration Systems. These systems control the filtration process, which removes unwanted molecules during the cell growth by running liquids through porous membranes. Combined, Danaher and GE would have a significant portion of the market.

Label-Free Molecular Characterization Instruments. Researchers use these instruments for a number of bioprocessing applications, including drug discovery. Danaher and GE are significant competitors in this market. The remainder of the market is highly fragmented.

Further details about the consent agreement—which requires Danaher to supply the divested products to Sartorius for a limited time while Sartorius establishes its own manufacturing capability—are set forth in the [analysis to aid public comment](#) for this matter.

Commission staff and the staff of antitrust agencies in Brazil, China, the European Union, and Israel worked cooperatively to analyze the proposed transaction and potential remedies.

The Commission vote to issue the complaint and accept the proposed consent order for public comment was 3-2. Commissioners Rohit Chopra and Rebecca Kelly Slaughter voted no. The FTC will publish the consent agreement package in the [Federal Register](#) shortly. Instructions for filing comments appear in the published notice. Comments must be received 30 days after publication in the Federal Register. Once processed, comments will be posted on [Regulations.gov](#).

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 \$43,280.

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