

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of)
)
)
FRESENIUS AG)
)
a corporation; and) File No. 961-0053
)

4. Proposed respondents waive:
 - a. any further procedural steps;
 - b. the requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;
 - c. all rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement; and
 - d. any claim under the Equal Access to Justice Act.

5. Proposed respondents shall submit, within thirty (30) days of the date this agreement is signed by proposed respondents, an initial report signed by the proposed respondents setting forth in detail the manner in which the proposed respondents will comply with Paragraph II of the order when and if entered. Such report will not become part of the public record unless and until the accompanying order is made final by the Commission and the required divestiture accomplished.

6. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

7. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft of complaint here attached, or that the facts as alleged in the draft complaint, other than jurisdictional facts, are true.

8. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, the Commission may, without further notice to the proposed respondents, (1) issue its complaint corresponding in form and substance with the draft of complaint here attached and its decision containing the following order to

divest and to cease and desist in disposition of the proceeding and (2) make information public with respect thereto. When so entered, the order to divest shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the United States Postal Service of the complaint and decision containing the agreed-to order to proposed respondents' addresses as stated in this agreement shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.

9. Proposed respondents have read the proposed complaint and order contemplated hereby. Proposed respondents understand that once the order has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the order. Proposed respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

ORDER

I

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

A. "Respondents" or "Fresenius" means Fresenius AG and Fresenius USA, Inc., their directors, officers, employees, agents and representatives, their predecessors, successors, and assigns; their subsidiaries, divisions, and groups and affiliates controlled by Fresenius, and the respective directors, officers, employees, agents, representatives, successors and assigns of each; their domestic and foreign parents, and the subsidiaries, divisions, and groups and affiliates controlled by any other domestic or foreign parent, and the respective directors, officers, employees, agents, representatives, successors and assigns of each.

B. "NMC" means National Medical Care, Inc., its directors, officers, employees, agents and representatives, its predecessors, successors, and assigns; its subsidiaries, divisions, and groups and affiliates controlled by NMC, and the

respective directors, officers, employees, agents, representatives, successors and assigns of each; its domestic and foreign parents, including W.R. Grace & Co., and the subsidiaries, divisions, and groups and affiliates controlled by any other domestic or foreign parent, and the respective directors, officers, employees, agents, representatives, successors and assigns of each.

C. "Commission" means the Federal Trade Commission.

D. "NMC Acquisition" means the acquisition by Fresenius AG of NMC that is the subject of an Agreement and Plan of Reorganization entered into on or about February 4, 1996.

E. "Hemodialysis Concentrate" means the acid portion of the dialysate solution used in hemodialysis treatment of End Stage Renal Disease to carry waste materials from the patient's blood during the treatment.

F. "Assets and Businesses" means assets, properties, businesses, and goodwill, tangible and intangible, including, without limitation, the following:

1. All plant facilities, machinery, fixtures, equipment, vehicles, transportation and storage facilities, furniture, tools, supplies, stores, spare parts, and other tangible personal property;

2. All customer lists, vendor lists, catalogs, sales promotion literature, advertising materials, research materials, technical information, dedicated management information systems, information contained in management information systems, rights to software, trademarks, patents and patent rights, inventions, trade secrets, technology, know-how, ongoing research and development, specifications, designs, drawings, processes and quality control data;

3. Raw material and finished product inventories and goods in process;

4. All right, title and interest in and to real property, together with appurtenances, licenses, and permits;

5. All right, title, and interest in and to the contracts entered into in the ordinary course of business with customers (other than contracts in which Hemodialysis Concentrate is sold as part of a package of products), suppliers, sales representatives, distributors, agents, personal property lessors, personal property lessees, licensors, licensees, consigoloot

7. All separately maintained, as well as relevant portions of not separately maintained, books, records and files; and

8. All items of prepaid expense.

G. "Hemodialysis Business to Be Divested" means the Fresenius Lewisberry, Pennsylvania Hemodialysis Manufacturing Facility, and any additional Fresenius Hemodialysis Concentrate Assets and Businesses (as defined) as are necessary to assure the Viability and Competitiveness of the Hemodialysis Business to Be Divested in the manufacture, marketing or distribution of

The purpose of the divestiture is to enable the acquirer to compete in the manufacture and sale of Hemodialysis Concentrate in the United States and to remedy the lessening of competition resulting from the NMC Acquisition as alleged in the Commission's Complaint.

B. Pending divestiture of the Hemodialysis Business to Be Divested, Respondents shall take such actions as are necessary to maintain the marketability, viability and competitiveness of the Hemodialysis Business to Be Divested, including, but not limited to, taking necessary steps to ensure that the Lewisberry plant is capable of, and has been approved for, commercial production, and to prevent destruction, removal, wasting, deterioration or impairment of the Hemodialysis Business to Be Divested, other than ordinary wear and tear.

III

IT IS FURTHER ORDERED that:

A. If Respondents have not divested the Hemodialysis Business to Be Divested within four (4) months of either (i) the date this Order becomes final, or (ii) the closing of the NMC Acquisition, whichever is later, the Commission may appoint a trustee to divest the Hemodialysis Business to Be Divested pursuant to Paragraph II of this Order. In the event that the Commission or the Attorney General brings an action pursuant to § 5(1) of the Federal Trade Commission Act, 15 U.S.C. § 45(1), or any other statute enforced by the Commission, Respondents shall consent to the appointment of a trustee in such action. Neither the appointment of a trustee nor a decision not to appoint a trustee under this Paragraph shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed trustee, pursuant to § 5(1) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order. The Commission shall select the trustee under this Paragraph, subject to the consent of Respondents, which consent shall not be unreasonably withheld. The trustee shall be a person with experience and expertise in acquisitions, divestitures, and licensing. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any

B. If a trustee is appointed by the Commission or a court pursuant to Paragraph III.A of this Order, Respondents shall consent to the following terms and conditions regarding the trustee's powers, duties, authority, and responsibilities:

1. Subject to the prior approval of the Commission and consistent with the provisions of Paragraph II of this Order, the trustee shall have the exclusive power and authority to divest the Hemodialysis Business to Be Divested.

2. Within ten (10) days after the appointment of the trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, and in the case of a court-appointed trustee, of the court, transfers to the trustee all rights and powers necessary to permit the trustee to effect the divestiture required by this Order.

3. The trustee shall have twelve (12) months from the date the trust agreement described in this Paragraph III.B is approved by the Commission to accomplish the divestiture of the Hemodialysis Business to Be Divested, which shall be subject to the prior approval of the Commission. If, however, at the end of this twelve (12) month period, the trustee has submitted a plan of divestiture or believes that divestiture can be achieved within a reasonable time, the divestiture period may be extended by the Commission, or, in the case of a court-appointed trustee, by the court.

4. The trustee shall have full and complete access to the personnel, books, records and facilities related to the Hemodialysis Business to Be Divested and to any other relevant information as the trustee may reasonably request. Respondents shall develop such financial or other information as the trustee may reasonably request and shall cooperate with the trustee. Respondents shall take no action to interfere with or impede the trustee's accomplishment of the divestiture. Any delays in divestiture caused by Respondents shall extend the time for divestiture under this Paragraph in an amount equal to the delay, as determined by the Commission or, for a court-appointed trustee, by the court.

5. The trustee shall use his or her best efforts to negotiate the most favorable price and terms available in each contract that is submitted to the Commission, subject to Respondents' absolute and unconditional obligation to divest at no minimum price. The divestiture shall be made

in the manner and to an acquirer as set out in Paragraph II of this Order; provided however, if the trustee receives bona fide offers from more than one acquiring entity, and if the Commission determines to approve more than one such acquiring entity, the trustee shall divest to the acquiring entity or entities selected by Respondents from among those approved by the Commission.

6. The trustee shall serve without bond or other security at the cost and expense of Respondents, and on such reasonable and customary terms and conditions as the Commission or a court may set. The trustee shall have the authority to employ, at the cost and expense of Respondents, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are reasonably necessary to carry out the trustee's duties and responsibilities. The trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission and, in the case of a court-appointed trustee, by the court, of the account of the trustee, including fees for his or her services, all remaining monies

or directions as may be necessary or appropriate to accomplish the divestiture required by this Order.

10. The trustee shall have no obligation or authority to operate or maintain the Hemodialysis Business to Be Divested.

11. The trustee shall report in writing to Respondents and the Commission every thirty (30) days concerning efforts to accomplish the divestiture.

IV

IT IS FURTHER ORDERED that:

A. Within twenty (20) days after the date this Order becomes final and every thirty (30) days thereafter until Respondents have fully complied with the provisions of Paragraphs II and III of this Order, Respondents shall submit to the Commission a verified written report setting forth in detail the manner and form in which they intend to comply, are complying, and have complied with this Order. Respondents shall include in their compliance reports, among other things that are required from time to time, a full description of the efforts being made to comply with Paragraph II of the Order, including a description of all substantive contacts or negotiations for the divestiture and the identity of all parties contacted. Respondents shall include in their compliance reports copies of all written communications to and from such parties, all internal memoranda, and all reports and recommendations concerning divestiture.

V

IT IS FURTHER ORDERED that, for a period of ten (10) years from the date this Order becomes final, Respondents shall cease and desist from acquiring, without Prior Notification to the Commission (as defined below), directly or indirectly, through subsidiaries or otherwise, any assets for manufacturing Hemodialysis Concentrate or any Hemodialysis Concentrate manufacturing facility, that have been employed in Hemodialysis Concentrate manufacturing in the United States within one (1) year of the date of an offer by Fresenius to purchase the assets, or any interest in a Hemodialysis Concentrate manufacturing facility in the United States, or any interest in any individual, firm, partnership, corporation or other legal or business entity that directly or indirectly owns or operates a Hemodialysis Concentrate manufacturing facility in the United States.

Provided, however, that this Paragraph V shall not be deemed to require Prior Notification to the Commission for (i) the construction of new facilities by Fresenius, (ii) the acquisition of new or used equipment in the ordinary course of business from a person other than the acquirer of the Hemodialysis Business to Be Divested, or any other present producer of Hemodialysis Concentrate; or (iii) the purchase or lease by Fresenius of a facility that has not been operated as a Hemodialysis Concentrate manufacturing facility at any time during the year immediately prior to the purchase or lease by Fresenius.

"Prior Notification to the Commission" required by Paragraph V shall be given on the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations, as amended (hereinafter referred to as "the Notification Form"), and shall be prepared and transmitted in accordance with the requirements of that part, except that no filing fee will be required for any such notification, notification shall be filed with the Secretary of the Commission, notification need not be made to the United States Department of Justice, and notification is required only of Fresenius and not of any other party to the transaction. Fresenius shall provide the Notification Form to the Commission at least thirty (30) days prior to consummating any such transaction (hereinafter referred to as the "first waiting period"). If, within the first waiting period, representatives of the Commission make a written request for additional information, Fresenius shall not consummate the transaction until twenty (20) days after substantially complying with such request for additional information. Early termination of the waiting periods in this paragraph may be requested and, where appropriate, granted by letter from the Bureau of Competition. Notwithstanding, Fresenius shall not be required to provide Prior Notification to the Commission pursuant to this order for a transaction for which notification is required to be made, and has been made, pursuant to Section 7A of the Clayton Act, 15 U.S.C. § 18a.

VI

IT IS FURTHER ORDERED that until the obligations set forth in Paragraphs II, III and V are met, Respondents shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate Respondents such as dissolution, assignment, sale resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries or any other change

in the corporations that may affect compliance obligations arising out of the Order.

VII

IT IS FURTHER ORDERED that Respondents, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and on five days notice to Respondents, shall permit any duly authorized representative(s) of the Commission:

A. Access, during office hours and in the presence of counsel, to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondents relating to any matters contained in this Order; and

B. Without restraint or interference from Respondents, to interview Respondents' officers, directors, or employees, who may have counsel present, regarding such matters.

Signed this _____ day of May, 1996.

FOR THE BUREAU OF COMPETITION FOR FRESENIUS AG AND
FEDERAL TRADE COMMISSION FRESENIUS USA, INC.

Robert S. Tovsky
Attorney

Udo Werle
Chief Financial Officer
Fresenius AG

M. Howard Morse
Assistant Director

Richard G. Parker
David T. Beddow
Counsel to Fresenius AG and
Fresenius USA, Inc.

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

In the Matter of)
)
FRESENIUS AG)
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a corporation; and)
)
FRESENIUS USA, INC.)
)
a corporation.)

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and of the Clayton Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Fresenius AG, the parent company of Fresenius USA, Inc. (collectively "Fresenius"), has entered into an Agreement and Plan of Reorganization with W.R. Grace & Co. ("Grace") whereby Fresenius will acquire from Grace the businesses comprising National Medical Care, Inc. ("NMC"), and that such acquisition, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, and having reason to believe that Fresenius has entered into such agreement in restraint of trade in violation of Section 5 of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding in respect thereof would be in the public interest, hereby issues its complaint stating its charges as follows:

I. THE RESPONDENTS

1. Respondent Fresenius AG is a corporation organized, existing and doing business under and by virtue of the laws of Germany with its office and principal place of business located at Borckenberg 14, 61440 Oberursel/Ts, Bad Homburg, Germany.

2. Respondent Fresenius USA, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of Massachusetts with its principal place of business located at 2637 Shadelands Drive, Walnut Creek, California 94598.

3. At all times relevant herein, the Respondents (collectively "Fresenius") have been, and are now, engaged in commerce as "commerce" is defined in Section 4 of the Federal

Trade Commission Act (15 U.S.C. § 44) and Section 1 of the Clayton Act (15 U.S.C. § 12), and are corporations whose business is in or affecting commerce as defined in Section 4 of the Federal Trade Commission Act (15 U.S.C. § 44).

II. THE PROPOSED ACQUISITION

4. On or about February 24, 19X

11. The United States market for hemodialysis concentrate is highly concentrated as measured by the Herfindahl-Hirschman Index (HHI). On the basis of capacity, the proposed acquisition would increase concentration, as measured by the HHI, by over 1250 points, to over 3100. On the basis of sales, the proposed acquisition would increase concentration, as measured by the HHI, by over 950 points, to over 3000.

V. CONDITIONS OF ENTRY

12. Entry into the hemodialysis concentrate market would not be likely to deter or offset reductions in competition resulting from the acquisition.

13. In addition to obtaining FDA approval, a new entrant would need to obtain a relatively high volume of sales in order to have cost-competitive production, and to support the costs of product testing. The need to capture a large market share makes the success of new entry less likely, and acts as a deterrent to entry. Most of the investment in production would likely be sunk in the event that entry were unsuccessful.

14. The likelihood of new entry is also reduced by the fact that a significant proportion of the dialysis clinics that use hemodialysis concentrate, including NMC, also produce the concentrate, and therefore are unlikely to purchase from a new entrant. Vertically integrated firms account for approximately a third of patients receiving hemodialysis treatment.

15. Moreover, a new entrant into hemodialysis concentrate would need to have an effective distribution system. However, there are only a few large full-line distributors of hemodialysis products, the largest of which (Fresenius, NMC, and CGH Medical) already produce hemodialysis concentrate.

VI. EFFECTS OF THE ACQUISITION

16. The acquisition of NMC by Fresenius may substantially lessen competition in the United States market for hemodialysis concentrate because, among other things:

- a. it will eliminate substantial head-to-head competition between NMC and Fresenius;
- b. it will increase concentration substantially in a highly concentrated market;
- c. it will increase the likelihood of coordinated interaction among producers of hemodialysis concentrate;

d. company documents project that the increased "consolidation" of suppliers will likely lead to "price stabilization;" and

e. it will likely result in increased prices for hemodialysis concentrate.

VII. VIOLATIONS CHARGED

17. The acquisition agreement between Fresenius and NMC described in paragraph 4 violates Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

18. The proposed acquisition of NMC by Fresenius would, if consummated, violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this _____ day of _____, 1996, issues its complaint against said respondents.

By the Commission.

Seal

Donald S. Clark
Secretary

Issued:

**ANALYSIS TO AID PUBLIC COMMENT ON
THE PROVISIONALLY ACCEPTED CONSENT ORDER**

The Federal Trade Commission ("the Commission") has accepted for public comment, from Fresenius AG and Fresenius USA, Inc., an agreement containing a consent order. This agreement has been placed on the public record for sixty days for reception of comments from interested persons.

Comments received during this period will become part of the public record. After sixty days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's order.

The Commission's investigation of this matter concerns the proposed acquisition by Fresenius of the businesses of W.R. Grace & Co. that comprise National Medical Care, Inc. ("NMC") The Commission's proposed complaint alleges that Fresenius and NMC compete with each other in hemodialysis concentrate, a chemical solution that is necessary in hemodialysis treatment of patients with End Stage Renal Disease, or chronic kidney failure.

The agreement containing consent order would, if finally accepted by the Commission, settle charges that the acquisition may substantially lessen competition in the production and sale of hemodialysis concentrate. The Commission has reason to believe that the acquisition agreement violates Section 5 of the Federal Trade Commission Act and the acquisition would have anticompetitive effects and would violate Section 7 of the

Clayton Act and Section 5 of the Federal Trade Commission Act if consummated, unless an effective remedy eliminates such anticompetitive effects.

The Commission's Complaint alleges that hemodialysis concentrate is a necessary product in hemodialysis treatment, and that the use of this product would not be significantly affected by a price increase. The Complaint further alleges that imports of hemodialysis concentrate are small and, because of high shipping costs, would not be responsive to a price increase in the United States. The market for hemodialysis concentrate in the United States is highly concentrated. In addition, the entry of other producers is unlikely. The Commission's Complaint alleges that the proposed acquisition would lessen competition by eliminating competition between Fresenius and NMC, and would make more likely coordinated interaction among the remaining producers of hemodialysis concentrate, leading to higher prices. Company planning documents, in fact, project that "increased consolidation" among concentrate producers will lead to "stabilization" of prices.

The proposed order accepted for public comment requires Fresenius to divest its Lewisberry, Pennsylvania concentrate manufacturing plant to Di-Chem, Inc. ("Di-Chem"), along with other assets. The purpose of the proposed divestiture is to create a viable and competitive producer of hemodialysis concentrate and thereby to remedy the lessening of competition

alleged in the complaint. Di-Chem already manufactures and markets other dialysis products. In addition, Di-Chem's management has substantial experience in the hemodialysis concentrate business and in other products used in hemodialysis. Public comments regarding all aspects of the proposed divestiture to Di-Chem will be considered along with other comments on the proposed order.

Under the terms of the proposed order, Fresenius must divest the Lewisberry plant to Di-Chem within ten (10) days after the proposed Order is made final by the Commission. If the divestiture to Di-Chem is not accomplished, then Fresenius must divest the Lewisberry plant within four (4) months to an acquirer that is approved by the Commission. If Fresenius fails to accomplish the divestiture, then the Commission may appoint a trustee to divest the Lewisberry plant, along with ancillary assets or other arrangements that may be necessary to assure that the Lewisberry plant is capable of being operated independently and competitively by its acquirer. The proposed order also requires that Fresenius provide prior notice to the Commission of future acquisitions of either assets used to manufacture hemodialysis concentrate or companies that produce hemodialysis concentrate.

The purpose of this analysis is to invite public comment concerning the proposed order. This analysis is not intended to

constitute an official interpretation of the agreement and order
or to modify their terms in any way.

DISSENTING STATEMENT OF COMMISSIONER ROSCOE B. STAREK, III

In the Matter of

Fresenius AG, et al.,
File No. 961 0053

I cannot join in the Commission's decision to accept a consent agreement for public comment in this matter. The evidence accumulated in the investigation is not sufficient to give rise to reason to believe that respondents' acquisition of National Medical Care, Inc. ("NMC") from W.R. Grace & Co. is likely to lessen competition substantially in a United States market for hemodialysis concentrate ("HD concentrate").

HD concentrate consists of various salts (sodium chloride, magnesium chloride, calcium chloride, and potassium chloride) and dextrose in purified water, with sodium bicarbonate (*i.e.*, baking soda) added at a later stage. Because this easily formulated mixture does not enter the body and therefore is not a "drug" for purposes of Food and Drug Administration ("FDA") regulation, the FDA applies to HD concentrate the somewhat more lenient regulations applicable to medical devices. Regulatory delay thus does not significantly constrain entry by new firms or expansion by incumbents.

The investigation revealed that various producers of HD

¹ Given the contrast between the time required for entry in the United States and that required in Germany, it is perhaps unsurprising that the latter nation's Bundeskartellamt concluded that Fresenius' acquisition of a competitor in HD concentrate would have anticompetitive effects. Entry into the German HD concentrate business apparently takes three to five years. In the United States, entry requires around nine months.

² It is difficult to accept the proposition that "[m]ost of the investment in production would likely be sunk in the event that entry were unsuccessful" (proposed complaint, ¶ 13). The equipment used in the manufacture of HD concentrate appears to be adaptable to alternate uses, and indeed there is evidence of

(continued...)

Thus, any assessment of this acquisition's potential to increase concentration in the market for HD concentrate -- and in turn make likelier an exercise of market power -- must take into account several strongly mitigating factors, including approximately 40 percent current excess capacity, the aforementioned ability of manufacturers to expand capacity speedily and at minimal cost, and the evident ability of customers (hemodialysis clinics) to integrate into the manufacture of HD concentrate in the event concentrate producers behave anticompetitively. Certain customers that speculated that the acquisition might lead to higher prices for HD concentrate appear to have been unaware of current plans for significant entry or capacity expansion by firms other than Fresenius and NMC. Moreover, other customer complaints seem to have been motivated by a fear that the vertical integration of Fresenius (a manufacturer of kidney dialysis products) and NMC (an operator of hemodialysis treatment centers, among its other businesses) could make the merged firm a stronger competitor in dialysis treatment.

It is always tempting to accept the "bird in the hand" represented by a consent agreement proffered in the early stages of an investigation, such as the one entered into (apparently without significant resistance) by Fresenius. Nevertheless, when the evidence on entry, expansion, and the absence of anticompetitive effects is as clear as in this case, the issuance of a consent order is unwarranted.

I therefore dissent.

²(...continued)
firms planning to convert some HD concentrate facilities to other purposes.