0710063

UNITED STATES OF AMERICA

II. RESPONDENTS

4. Respondent Actavis is a corporation organized, existing, and doing business under and by virtue of the laws of Iceland, with its headquarters address at Dalshraun 1, 220 Hafnarfjordur, Iceland.. Actavis's principal subsidiary in the United States, Actavis U.S., is located at 14 Commerce Drive, Suite 301, Cranford, New Jersey 07016. Actavis is engaged in the research, development, manufacture, and sale of generic pharmaceutical products.

5. Respondent Abrika is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its headquarters address at 13800 N.W. 2nd Street, Suite 190, Sunrise, Florida 33325. Abrika is engaged in the research, development, manufacture, and sale of generic pharmaceutical products.

6. Respondents are, and at all times relevant herein have been, engaged in commerce, as "commerce" is defined in Section 1 of the Clayton Act as amended, 15 U.S.C. § 12, and are corporations whose business is in or affects commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

III. THE PROPOSED ACQUISITION

7. On November 20, 2006, Actavis and Abrika entered into an Agreement and Plan of Merger (the "Merger Agreement") whereby Actavis proposes to acquire 100 percent of the issued and outstanding voting securities of Abrika in a transaction valued at approximately $235 million (the "Acquisition").

IV. THE RELEVANT MARKET

8. For the purposes of this Complaint, the relevant line of commerce in which to analyze the effects of the Acquisition is the manufacture and sale of generic isradipine capsules.

9. For the purposes of this Complaint, the United States is the relevant geographic area in which to analyze the effects of the Acquisition in the relevant line of commerce.

V. THE STRUCTURE OF THE MARKET

VI. ENTRY CONDITIONS

11. Entry into the relevant product market described in Paragraph 8 would not be timely, likely, or sufficient in its magnitude, character, and scope to deter or counteract the anticompetitive effects of the Acquisition. Entry would not take place in a timely manner because the combination of generic drug development times and FDA drug approval requirements takes at least two years. Entry would not be likely because the relevant market is relatively small and in decline, limiting sales opportunities for any potential new entrant.

VII. EFFECTS OF THE ACQUISITION

12. The effects of the Acquisition, if consummated, may be to substantially lessen competition and to create a monopoly in the relevant market in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, by eliminating actual, direct, and substantial competition between Actavis and Abrika. The merger of Actavis and Abrika eliminates price competition between these two generic drug companies, thereby: (1) increasing the likelihood that Actavis will be able to unilaterally exercise market power in this market and (2) increasing the likelihood that customers would be forced to pay higher prices.

VIII. VIOLATIONS CHARGED

13. The Merger Agreement described in Paragraph 7 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

14. The Acquisition described in Paragraph 7, if consummated, would constitute a violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this eighteenth day of May, 2007, issues its Complaint against said Respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: