

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

October 18, 2011

Virginia Shareholder
State of California

Re: In the Matter of Cardinal Health, Inc., File No. 091 0136

Thank you for your comment on the Federal Trade Commission's consent agreement in the above-titled proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(ii), and it has been given careful consideration. As we understand your comment, you in effect ask why the Commission allowed Cardinal Health to acquire Biotech in the first place if we believed the acquisition was competitively problematic (that is, that it might produce a monopoly in certain markets). As we further understand your comment, you may also be of the view that the acquisition was not competitively problematic, and that the divestitures required by the consent agreement will unnecessarily harm Cardinal Health shareholders.

With respect to your first point, the Commission had to investigate and consider the likely competitive effects of the acquisition before it could initiate corrective action. The Consent Agreement the Commission thereafter accepted for public comment resolves allegations in the accompanying draft complaint that the acquisition may substantially lessen competition in the Las Vegas, Albuquerque, and El Paso markets for the production, sale, and distribution of low energy radiopharmaceuticals. With respect to your second point, the Commission's Decision and Order, to which Cardinal Health has agreed to adhere, is narrowly tailored to remedy the likely anticompetitive effects of the acquisition. Under the terms of the consent order, Cardinal Health, among other things, will be required (1) to reconstitute each of the three former Cardinal nuclear pharmacies, and to divest each of the pharmacies to a Commission-approved acquirer; and (2) to grant its customers in the three markets the right to terminate certain of their existing contracts with Cardinal for the purchase of radiopharmaceuticals. Cardinal Health's acquisition of Biotech in all other respects stands.

In light of these considerations, among others, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form, without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. Please be assured that we very much appreciate your comment. It helps the Commission's analysis to hear from a variety of sources as we do our work.

By direction of the Commission.

Donald S. Clark
Secretary