

II. THE ACQUIRED COMPANY

9. For the purposes of this Complaint, the relevant geographic area in which to analyze the effects of the Acquisition in the relevant lines of commerce is no narrower than the United States and may be as broad as the entire world.

V. THE STRUCTURE OF THE MARKETS

10. The cell culture media market is highly concentrated currently, with only three main suppliers: Life, Thermo Fisher, and Sigma-Aldrich Corp. (“Sigma-Aldrich”). Combined, Thermo Fisher and Life would have more than a 50% share in the cell culture media market. Sigma-Aldrich, the next closest competitor, trails with a market share of approximately 25%. The balance of the cell culture media market is split among several smaller, less significant competitors. The Acquisition substantially increases concentration in the cell culture media market and reduces the number of major suppliers of cell culture media from three to two.

11. Thermo Fisher and Life are two of only three substantial competitors in the market for cell culture sera. Life has a market share in excess of 40%. Thermo Fisher’s market share is approximately 20%. Sigma-Aldrich, the next largest competitor, has a market share of approximately 15%. Although other firms participate in this market, their market shares are considerably smaller. As a result, the Acquisition would substantially increase concentration in the cell culture sera market by combining the two most significant competitors and reducing the number of major suppliers from three to two.

12. Thermo Fisher and Life are two of only four significant competitors in the market for siRNA reagents. This is in large part because only these four firms have licenses for critical intellectual property necessary to compete effectively in this market. Thermo Fisher and Life offer the most advanced lines of siRNA reagents and are the only suppliers to offer a portfolio of siRNA reagents for the full human genome. The other license holders, Sigma-Aldrich and Qiagen N.V., do not offer as advanced or as many siRNA reagents as Thermo Fisher and Life. Combined, Thermo Fisher and Life would have a market share of more than 50% for individual siRNA reagents and greater than 90% for siRNA libraries. As a result, the Acquisition would substantially increase concentration in the market for siRNA reagents.

VI. ENTRY CONDITIONS

13. Sufficient and timely entry into the relevant product markets described in Paragraph 8 is unlikely to deter or counteract the anticompetitive effects of the Acquisition. Entry into each of these relevant product markets requires a significant amount of time and resources. In each relevant product market, a firm must develop products with high levels of performance and reliability to establish the brand recognition necessary to compete effectively. A potential entrant must also develop around or obtain licenses for existing intellectual property. Moreover, entry into the cell culture media and sera markets requires substantial upfront investment to build sufficient capacity to supply the needs of large industrial customers, while in the case of cell culture sera, a potential entrant must competitively bid against established market participants for access to limited supplies of raw sera. Finally, a potential entrant must establish a U.S. sales force, offering high-quality technical support.

VII. THE EFFECTS OF THE ACQUISITION

14. The effects of the Acquisition, if consummated, would likely be to substantially lessen competition and to tend to create a monopoly in each 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, in the following ways, among others:

- a. by eliminating actual, direct, and substantial competition between Respondent Thermo Fisher and Life and reducing the number of competitors for the sale of each relevant product;