

ANALYSIS OF AGREEMENT CONTAINING CONSENT ORDERS TO AID PUBLIC
COMMENT

In the Matter of Bristol-Myers Squibb Company and Celgene Corporation

F1fO0d () [MC /P << TJ -3 -1.15 Td [(a)4 (n A)-8 (g)10 (r)3 (e)-

THE RELEVANT PRODUCT AND STRUCTURE OF THE MARKET

Psoriasis is a chronic skin disease caused by an overactive immune system. The disease causes skin cells to multiply faster than normal and leads to a buildup of cells on the skin surface, forming bumpy red patches that are covered with white scales, known as plaques. The plaques can appear anywhere on the body, although they are most commonly found on the scalp, elbows, knees, and lower back. The severity of psoriasis (mild, moderate, or severe) is determined based upon the percentage of body surface area affected and the parts of the body that are affected. Typically, mild psoriasis covers less than 3 percent of the body, moderate psoriasis covers 3 to 10 percent of the body and severe psoriasis covers more than 10 percent of the body.

When deciding how to treat psoriasis, dermatologists typically evaluate the severity of the disease, any risk factors or contraindications for the patient, and the patient's preferences. Dermatologists consider efficacy data, safety data, and side effect profile of each product, as well

currently the market leader and BMS would likely be the next entrant into the market. Upon entry, BMS 986165 likely will compete directly with, and take sales from, Otezla.

ENTRY CONDITIONS

Entry in the relevant market would not be timely, likely, or sufficient in magnitude, character, and scope to deter or counteract the anticompetitive effects of the proposed Acquisition. New entry would require significant investment of time and money for product research and development, regulatory approval by the FDA, developing clinical history supporting the long-term efficacy of the product, and establishing a U.S. sales and service infrastructure. Such development efforts are difficult, time-consuming, and expensive, and often fail to result in a competitive product reaching the market.

THE CONSENT AGREEMENT

The Consent Agreement eliminates the competitive concerns raised by the proposed Acquisition by requiring BMS and Celgene to divest Celgene's worldwide Otezla business including its regulatory approvals, intellectual property, contracts, and investments in Amgen. BMS and Celgene also must transfer all confidential business information, research and development information, regulatory, formulation, and manufacturing reports related to the divested products, as well as provide access to employees who possess or are able to identify such information. Additionally, to ensure that the divestiture is successful and to maintain continuity of supply, the proposed Order requires BMS and Celgene to supply Amgen with Otezla for a limited time. While Amgen (Antitrust) 10-2 (092914); 21(c) 762 (b) (4) - 7-26 (c) (i) 25 (r) 00

The purpose of this analysis is to facilitate public comment on r P-2 pub-3 (pub-3> (e)4 (of)2 (