

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

COMMISSIONERS: **Joseph J. Simons, Chairman**
 Noah Joshua Phillips
 Rohit Chopra

Pfizer will combine certain of its assets and liabilities with Respondent Mylan to form Respondent Viartis (the “Combination”). Respondent Pfizer will receive \$12 billion in cash from Viartis as partial consideration in connection with the Combination, and Respondent Pfizer’s shareholders will gain an interest in Respondent Viartis. The Combination is subject to Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

III. THE RELEVANT MARKETS

8. The relevant lines of commerce in which to analyze the effects of the Combination are the development, license, manufacture, marketing, distribution, and sale of the following generic pharmaceutical products:
 - a. Amlodipine besylate/atorvastatin calcium tablets;
 - b. Eplerenone tablets;
 - c. Gatifloxacin ophthalmic solution;
 - d. Levothyroxine sodium tablets;
 - e. Medroxyprogesterone acetate injectable solution;
 - f. Phenytoin chewable tablets;
 - g. Prazosin hydrochloride capsules;
 - h. Spironolactone hydrochlorothiazide tablets;
 - i. Sucralfate tablets; and
 - j. Varenicline tartrate tablets.
9. The United States is the relevant geographic area in which to assess the competitive effects of the Combination in the relevant lines of commerce.

IV. THE STRUCTURE OF THE MARKETS

10. Amlodipine besylate/atorvastatin calcium tablets combine a calcium channel blocker to treat hypertension with a lipid-

17. Spironolactone hydrochlorothiazide (HCTZ) tablets are a diuretic used to treat hypertension. Only three suppliers provide spironolactone HCTZ tablets: Greenstone, Mylan, and Sun. The Combination would reduce the number of suppliers from three to two and result in Greenstone and Mylan accounting for more than 30 percent of the market.
18. Sucralfate tablets are used to treat and prevent ulcers in the small intestines. Prior to the proposed Combination, only three companies sold sucralfate tablets historically: Greenstone, Mylan, and Teva. While Mylan has stopped selling sucralfate recently, the proposed Combination likely alters Mylan's incentives to relaunch sucralfate tablets and would reduce the number of firms capable of selling sucralfate tablets from three to two.
19. Varenicline tartrate tablets are a smoking cessation aid offered under Pfizer's brand Chantix®. Currently, only branded Chantix® is available in the market. Mylan is one of a limited number of companies likely to share the Hatch-Waxman 180-day exclusivity period when the generic market forms. Should Upjohn or Greenstone launch an authorized generic of Pfizer's Chantix®, the Combination would likely allow the combined entity to reduce the small number of independent suppliers that would have sold generic varenicline tartrate tablets during the Hatch-Waxman exclusivity period absent the Combination.

V. ENTRY CONDITIONS

20. Entry into the

solution; (4) generic medroxyprogesterone acetate injectable solution; (5) generic phenytoin chewable tablets; (6) generic prazosin HCl capsules; and (7) generic spironolactone HCTZ tablets, thereby increasing the likelihood that: (a) Viatrix would be able to unilaterally exercise market power in these markets; (b) the remaining competitors would engage in coordinated interaction between or among each other; and (c) customers would be forced to pay higher prices; and

- b. by eliminating future competition between (1) Upjohn and Greenstone and (2) Mylan in the market for generic levothyroxine sodium tablets, generic sucralfate tablets, and generic varenicline tartrate tablets, thereby (a) increasing the likelihood that the combined entity would forego or delay relaunching this product, and (b) increasing the likelihood that the combined entity would delay, eliminate, or otherwise reduce the substantial additional price competition that would have resulted from an additional supplier of this product.

VII. VIOLATIONS CHARGED

- 22. The Combination described in Paragraph 7 constitutes a violation of