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UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Edith Ramirez, Chairwoman**
Julie Brill
Maureen K. Ohlhausen
Joshua D. Wright
Terrell McSweeny

In the Matter of	)	
SUN PHARMACEUTICAL INDUSTRIES LTD., **a corporation;**	)	
RANBAXY LABORATORIES LTD., **a corporation;**	)	**Docket No. C-4506**
and	)	
DAIICHI SANKYO CO., LTD. **a corporation.**	)	

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act ("FTC Act"), and its authority thereunder, the Federal Trade Commission ("Commission"), having reason to believe that Respondent Sun Pharmaceutical Industries Ltd. ("Sun"), a corporation subject to the jurisdiction of the Commission, has agreed to acquire Respondent Ranbaxy Laboratories Ltd., ("Ranbaxy"), a subsidiary of Respondent Daiichi Sankyo Co., Ltd. ("Daiichi Sankyo"), both of which are corporations subject to the jurisdiction of the Commission, in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, that such acquisition, if consummated, would violate 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, and it appearing to the Commission that a proceeding in respect thereof would be in the public interest, hereby issues its Complaint, stating its charges as follows:

I. RESPONDENTS

1. Respondent Sun is a corporation organized, existing, and doing business under and by virtue of the laws of the Republic of India, with its headquarters located at Acme Plaza, Andheri Kurla Road, East Andheri, Mumbai, 400 059, India. The headquarters for Sun's U.S. subsidiary, Sun Pharmaceutical Industries, Inc., is located at 270 Prospect Plains Road, Cranbury, New Jersey, 08512.

2. Respondent Ranbaxy is a corporation organized, existing, and doing business under and by virtue of the laws of the Republic of India with its headquarters located at Plot No. 90, Sector 32, Gurgaon-122001 (Haryana), India. The headquarters for Ranbaxy's U.S. subsidiary, Ranbaxy Inc., is located at 600 College Road East, Suite 2100, Princeton, New Jersey, 08540.

3. Respondent Daiichi Sankyo is a corporation organized, existing, and doing business under and by virtue of the laws of Japan with its headquarters located at 3-5-1, Nihonbashi-honcho, Chuo-ku, Tokyo, 103-8426, Japan. The headquarters for Daiichi Sankyo's U.S. subsidiary, Daiichi Sankyo, Inc., is located at Two Hilton Court, Parsippany, New Jersey, 07054.

4. Each Respondent is, and at all times relevant herein has been, engaged in commerce, as "commerce" is defined in Section 1 of the Clayton Act as amended, 15 U.S.C. § 12, and is a company whose business is in or affects commerce, as "commerce" is defined in Section 4 of the FTC Act, as amended, 15 U.S.C. § 44.

II. THE PROPOSED ACQUISITION

5. Pursuant to a Transaction Agreement and Scheme of Arrangement dated April 6, 2014, Sun proposes to acquire the voting securities of Ranbaxy in a transaction valued at approximately $4 billion (the "Acquisition"). The Acquisition is subject to Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

III. THE RELEVANT MARKETS

6. For the purposes of this Complaint, the relevant lines of commerce in which to analyze the effects of the Acquisition are the development, license, manufacture, marketing, distribution, and sale of generic minocycline hydrochloride 50 mg, 75 mg, and 100 mg tablets ("minocycline tablets").

7. For the purposes of this Complaint, the United States is the relevant geographic area in which to assess the competitive effects of the Acquisition in the relevant lines of commerce.

IV. THE STRUCTURE OF THE MARKETS

8. Minocycline tablets are used to treat bacterial infections including pneumonia and other respiratory tract infections, acne, and other skin, genital, and urinary tract infections. Ranbaxy, Dr. Reddy's Laboratories Ltd., and Par Pharmaceutical Companies, Inc. are currently the only U.S. suppliers of each dosage strength of minocycline tablets. Sun is one of a limited number of firms that has minocycline tablets in development and an ANDA under review by the U.S. Food and Drug Administration ("FDA"). Therefore, the Acquisition would likely increase concentration in the relevant markets substantially by reducing the number of future suppliers of minocycline tablets.

V. ENTRY CONDITIONS

9. Entry into the relevant markets described in Paragraphs 6 and 7 would not be timely, likely, or sufficient in magnitude, character, and scope to deter or counteract the anticompetitive effects of the Acquisition. De novo entry would not take place in a timely manner because the combination of drug development times and FDA approval requirements would be lengthy. In addition, no other entry is likely to occur such that it would be timely and sufficient to deter or counteract the competitive harm likely to result from the Acquisition.

VI. EFFECTS OF THE ACQUISITION

10. The effects of the Acquisition, if consummated, may be to substantially lessen competition in the markets for minocycline tablets in the United States 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 future competition between Sun and Ranbaxy, thereby: (1) increasing the likelihood that the combined entity would forego or delay the launch of Sun's products in the markets; and (2) increasing the likelihood that the combined entity would delay, eliminate, or otherwise reduce the substantial additional price competition that would have resulted from Sun's independent entry into the markets.

VII. VIOLATIONS CHARGED

11. The Acquisition described in Paragraph 5 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

12. The Acquisition described in Paragraph 5, 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 thirtieth day of January, 2015, issues its Complaint against said Respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: