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UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

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

In the Matter of	)	
	)	**Docket No. C-4539**
ENDO INTERNATIONAL PLC	)	
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 Endo International plc ("Endo"), a corporation subject to the jurisdiction of the Commission, has agreed to acquire Par Pharmaceutical Holdings, Inc. ("Par"), a corporation 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 Endo is a corporation organized, existing and doing business under and by virtue of the laws of the Republic of Ireland, with its executive offices and principal place of business located at First Floor, Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland.

2. Par is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its executive offices and principal place of business located at One Ram Ridge Road, Chestnut Ridge, New York, 10977.

3. 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

4. Pursuant to an Agreement and Plan of Merger executed May 18, 2015, Endo proposes to acquire 100% of the outstanding voting securities of Par in a transaction valued at approximately $8 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

5. 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 the following generic pharmaceutical products:

    a. glycopyrrolate tablets; and

    b. methimazole tablets.

6. 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

7. Glycopyrrolate tablets are used to reduce secretions in the mouth, throat, airway, and stomach, mitigating the side effects of peptic ulcer medicines. In the United States, Endo, Par, and Leading Pharma, LLC currently supply generic glycopyrrolate tablets. The proposed transaction would reduce the number of generic suppliers from three to two, and produce a firm controlling in excess of 63%. The post-acquisition Herfindahl-Hirschman Index ("HHI") for this market would be 5,038, an increase of 1,905.

8. Methimazole tablets inhibit the production of excess thyroid hormone. In the United States, Par, Endo, Heritage Pharmaceuticals, Inc., and Sandoz currently supply generic methimazole tablets. The proposed transaction would reduce the number of generic suppliers from four to three, and the combined company would account for 67% of

generic methimazole sales. The transaction would increase the HHI by 1,417 points to 5,059.

V. ENTRY CONDITIONS

9. Entry into the relevant markets described in Paragraphs 5 and 6 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 drug development and FDA approval requirements are extraordinarily time consuming. 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 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 actual, direct, and substantial competition between Endo and Par and reducing the number of independent significant competitors in the markets for generic glycopyrrolate tablets and methimazole tablets, thereby increasing the likelihood that: (1) Endo would be able to unilaterally exercise market power in these markets; (2) the remaining competitors would engage in coordinated interaction between or among each other; and (3) customers would be forced to pay higher prices.

VII. VIOLATIONS CHARGED

11. The Acquisition described in Paragraph 4 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

12. The Acquisition described in Paragraph 4, 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 24th day of September, 2015 issues its Complaint against said Respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: