

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman
Noah Joshua Phillips
Rohit Chopra
Rebecca Kelly Slaughter
Christine S. Wilson

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| _____ |) | |
| In the Matter of |) | |
| |) | |
| Össur Hf., |) | |
| a corporation; |) | |
| |) | DOCKET NO. C-4712 |
| Össur Americas Holdings, Inc., |) | |
| a corporation; |) | |
| |) | |
| and |) | |
| |) | |
| College Park Industries, Inc., |) | |
| 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 Össur Hf., the owner of Össur Americas Holdings, Inc., a corporation subject to the jurisdiction of the Commission, has made an offer to acquire all of the voting securities of College Park Industries, Inc., a company 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. RESPONDENT

1. Respondent Össur Hf. is a corporation organized, existing, and doing business under, and by virtue of, the laws of Iceland, with its executive offices and principal place of business located at Grjothals 1-5, 110 Reykjavik, Iceland, and its United States

address for service of process, as follows: 27051 Towne Center Drive, Foothill Ranch, California, 92610. Össur Hf is engaged in the development, manufacture, sale, and distribution of upper and lower-limb prosthetic devices.

2. Respondent Össur Americas Holdings, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of Delaware, with its executive offices and principal place of business located at 27051 Towne Center Drive, Foothill Ranch, California, 92610.
3. Respondents Össur Hf. and Össur Americas Holdings, Inc. (collectively, “Össur”) are, and at all times relevant herein have been, engaged in commerce, as “commerce” is defined in Section 1 of the Clayton Act as amended, 5 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 ACQUIRED COMPANY

4. Respondent College Park Industries, Inc. (“College Park”) is a corporation organized, existing, and doing business under, and by virtue of, the laws of Michigan, with its executive offices and principal place of business located at 27955 College Park Drive, Warren, Michigan, 48088. College Park is engaged in the development, manufacture, sale, and distribution of upper and lower-limb prosthetics.
5. Respondent College Park 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.

III. THE PROPOSED ACQUISITION

6. Pursuant to a Stock Purchase Agreement dated July 19, 2019, Össur agreed to acquire College Park (the “Acquisition”). The Acquisition is subject to Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

IV. THE RELEVANT MARKET

7. For the purpose of this Complaint, the relevant line of commerce in which to analyze the effects of the Acquisition is no broader than the development, manufacturing, marketing, distribution, and sale of myoelectric elbows.

8. Myoelectric, or powered, elbows use electromyographic signals and battery-powered motors to control movement of the prosthetic. Myoelectric elbows fit directly on the residual limb and use electrical signals generated by muscles to move the motorized elbow componentry. Myoelectric elbows provide substantial functional advantages over mechanical elbows, such as being easier and more natural to control than mechanical elbows.
9. For the purpose of this Complaint, the United States is the relevant geographic area in which to assess the competitive effects of the Acquisition in the relevant line of commerce.

V. THE STRUCTURE OF THE MARKET

10. The U.S. market for myoelectric elbows is highly concentrated. Respondent College Park is a leading supplier of myoelectric elbows and Respondent Össur is currently developing its own myoelectric elbow. The only other participants in the U.S. myoelectric market are Otto Bock Healthcare North America and Fillauer LLC.

VI. ENTRY CONDITIONS

11. Entry or expansion into the relevant market 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 time required for product development and market adoption is lengthy. No other entry is likely to occur to deter or counteract the competitive harm likely to result from the Acquisition.

VII. EFFECTS OF THE ACQUISITION

12. The effects of the Acquisition, if consummated, may be to substantially lessen competition in the 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, and to harm consumers by, among other things, eliminating substantial future competition between Respondent College Park and Respondent Össur in the development, manufacturing, marketing, distribution, and sale of myoelectric elbows.

VIII. VIOLATIONS CHARGED

13. The Acquisition described in Paragraph 6, 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 sixth day of April, 2020 issues its Complaint against said Respondent.

By the Commission.

April J. Tabor
Acting Secretary

SEAL: