



United States of America
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

[Commenter's Name]
[Commenter's City, State]

Re: *AbbVie, Inc. and Allergan, plc*, FTC File No. 191 0169, C-4713

Dear Commenter:

Thank you for the comment that you submitted electronically in connection with the Consent Order issued by the Commission to settle antitrust concerns arising from AbbVie Inc.'s proposed acquisition of Allergan plc. The Commission reviewed the proposed acquisition to determine if the combination of AbbVie and Allergan was likely to substantially lessen competition in violation of Section 7 of the Clayton Act.

The Commission placed your comment on the public record and has given it careful consideration. Comments submitted by you and others addressed three main topics: (1) concerns about the price of pharmaceutical products generally; (2) concerns about the scope of the investigation; and (3) concerns about the proposed divestiture buyers. Given the public interest in this matter and the number of public comments received, we address these concerns below in this letter.

I. Concerns about the price of pharmaceutical products generally

To challenge a merger successfully under the Clayton Act, the Commission must have proof that the likely effect of the merger may be "substantially to lessen competition." Section 7 does not afford the agency the authority to extract remedies, including remedies related to product pricing, which are unrelated to the proposed merger.

II. Concerns about the scope of the investigation

As described in the Statement of Chairman Joseph J. Simons, Commissioner Noah J. Phillips, and Commissioner Christine S. Wilson, the Commission staff sought information from the merging parties and third parties to evaluate a wide range of theories of competitive harm beyond the horizontal overlaps of the two companies. The evidence did not support a reason to believe that the merger would lead to anticompetitive harms beyond the overlaps remedied by the divestitures.

III. Concerns about the proposed divestiture buyers and the divestiture process

The Order remedies the competitive concerns in this transaction by requiring the merging parties to divest products and assets to Nestlé, S.A. and AstraZeneca plc. As described in the Statement of Chairman Joseph J. Simons, Commissioner Noah J. Phillips, and Commissioner

Christine S. Wilson, the Commission staff followed its established practices, confirmed by the findings from the Commission's 2017 Merger Remedies Study as effective, by analyzing the business plans, supply chain and transition plans, strategic fit, financial projections, financing and incentives, experience, and management expertise of Nestlé and AstraZeneca.

The Commission is satisfied that the Order in this matter protects against the potential for anticompetitive conduct by AbbVie as a result of its acquisition of Allergan. In our view, based on a thorough and extensive investigation that considered all of the theories raised in comments submitted by the public, the relief contained in the Order appropriately addresses the competition concerns arising from the acquisition.

In its work on antitrust and consumer protection issues, the Commission finds it helpful to hear from a variety of sources, and we appreciate your interest in this matter.

By direction of the Commission, Commissioner Chopra dissenting and Commissioner Slaughter not participating.

April Tabor
Acting Secretary