



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 43/2019

Case Number 8.13.019.31

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW
No. 83(I)/2014**

**Notification of a concentration concerning the acquisition by Recordati S.p.A., of assets
which belong to Novartis group of companies, via A.G. Recordati**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karydis	Member
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Polinikis-Panagiotis Charalambides	Member

Date of decision: 29/8/2019

SUMMARY OF THE DECISION

On the 7/8/2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Recordati S.p.A. (hereinafter “Recordati”), a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”).

The notification concerns a concentration, according to which, Recordati will acquire assets of Novartis concerning exclusively the pharmaceutical products for "Cushing syndrome", "Cushing disease" and acromegaly (hereinafter “the Target”).

- Recordati S.p.A. is a company duly registered under the laws of Italy. Recordati A.G. is a company duly registered under the laws of Switzerland which belongs to Recordati S.p.A.. Recordati group is a pharmaceutical group that engages in research, development, manufacture and marketing of medicines for primary care and pharmaceutical products that have not been commercially developed (orphan drugs) for treating rare diseases.

- The target in this concentration is the assets of the Novartis group which relate exclusively to the two pharmaceutical products Signifor LIAM and Signifor LAR as well as to the chemical compound that is in the process of development concerning treatment for Cushing syndrome and some licenses that relate to the worldwide rights of the above mentioned assets.

The concentration is based on the Asset Purchase agreement dated 12/7/2019 (hereinafter the "Agreement") (hereinafter "the Agreement") among NOVARTIS AG, NOVARTIS INTERNATIONAL PHARMACEUTICAL AG, NOVARTIS PHARMA AG as the Sellers (together «Novartis») and Recordati A.G.. In accordance with this Agreement, Recordati will acquire the Target.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6 (1)(a)(ii) of the Law, since it leads to a permanent change of control of the target.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance falling within the scope of the Law.

The relevant product market in this case was defined as the market for the promotion of H01C (hypothalamic hormones) for "Cushing disease" (relevant category ATC3). For the purposes of the present case, the geographic market was defined as the Republic of Cyprus for both product/service markets.

The turnover of the target in Cyprus came from sales of Signifor drugs, which specialize in treatment with regard to "Cushing syndrome", "Cushing disease" and acromegaly.

There is no horizontal overlap or vertical relationship between the activities of the enterprises involved.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of the competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition