



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ  
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 23/2021

Case Number: 08.05.001.021.016

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

**Notification of a concentration regarding the acquisition of the cephalosporin  
antibiotics business of GlaxoSmithKline plc by Sandoz AG**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mr. Andreas Karidis,	Member
Mr. Panayiotis Oustas,	Member
Mr. Aristos Aristidou Palouzas,	Member
Mr Polinikis Panayiotis Charalambides	Member

Date of decision: 22 April 2021

**SUMMARY OF THE DECISION**

On the 22nd of March 2021, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Sandoz AG (hereafter “Sandoz”) 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 the acquisition of the cephalosporin antibiotics business of GlaxoSmithKline plc (hereafter the “Target” or “GSK”) by Sandoz.

Sandoz is a company duly registered in accordance with the laws of the Canton of Basil of Switzerland. Sandoz is controlled by Novartis AG (hereafter ‘Novartis’), a company based

in Switzerland and is active globally in the health care industry and the distribution and trade of medical products. Sandoz is active in the manufacturing of generic pharmaceuticals and biosimilars mainly in the generic antibiotics and oncology medicines.

The Target constitutes the cephalosporin antibiotics business of GlaxoSmithKline. The Target includes the established brands global rights to three established brands Zinnat®, Zinacef® and Fortum® of GSK and the related agreements with customers, suppliers and intellectual property rights, distribution licences and business records.

The transaction is based on the Sales and Purchase Agreement of the cephalosporin antibiotics business of GSK dated 10/02/2021, (hereafter the “Agreement”).

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)(α) of the Law were satisfied and therefore the notified transaction was of major importance under the Law.

The Commission, for the purposes of evaluating this concentration, defined the relevant product/service markets as the supply of antibiotics at ATC2 level. For the purposes of the present case, the geographic market of the relevant market for the supply of antibiotics at ATC2 level was defined as that of the Republic of Cyprus.

According to the undertaking concerned, this concentration leads to a horizontal overlap in the market of the supply of antibiotics at ATC2 level. According to the parties, the combined market share of the parties involved in the transaction for the said market was [5-10] %. Therefore, the Commission concluded that there is no affected market.

According to the information provided in the notification there is no vertical relationship between the activities of the parties.

Considering the above, the Commission concludes that there is no affected market based on Annex I of the Law. Furthermore, there are no other markets which the notified concentration may have a significant impact.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position 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