

Corporate Counseling Committee Monthly Antitrust Update Program: October 2015

Date: 11/09/15

Source: American Bar Association

In October 2015, the FTC decided not to appeal a district court's decision to deny the FTC's motion for an injunction to block Steris Corp's ("Steris") acquisition of Synergy Health PLC ("Synergy") and dismissed its administrative complaint. The FTC focused on concerns of potential competition between the two sterilization equipment companies and alleged that absent the deal, U.K.-based Synergy would have entered the U.S. market for sterilization by importing X-ray sterilization currently only offered in Europe. Steris and Synergy argued that the acquisition was not anticompetitive because Synergy never intended to enter the sterilization market in the U.S. and the companies did not significantly overlap in any relevant geographic market. The district court found that (i) not a single customer was willing to provide the revenue commitments needed for Synergy to enter the U.S. X-ray sterilization market and (ii) the business model for entry was unlikely to obtain board approval. The companies closed the acquisition soon after the FTC dismissed its complaint.