



**Determination No. M/04/058 of the Competition Authority, dated 1<sup>st</sup> November 2004, under Section 21 of the Competition Act, 2002**

**Notification No. M/04/058 – The proposed acquisition by Abbott Laboratories of Natural Supplement Association Inc.**

**Introduction**

1. On 13<sup>th</sup> October 2004 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Abbott Laboratories (“Abbott”) would acquire Natural Supplement Association Inc., which trades as Experimental & Applied Sciences Inc. (“EAS”) (“the proposed acquisition”).

**The Parties**

2. Abbott, the acquirer, is a US-registered multinational corporation, which is engaged in the discovery, development, manufacture and sale of a broad and diversified line of health care products and services. Abbott has established a physical presence in Ireland and its sales in Ireland comprise pharmaceutical products, medical hospital products, medical diagnostics and medical nutritional products.
3. Through its Ross Products Division (“RPD”), Abbott manufactures and supplies specific branded products, such as ‘*Ensure*’ and ‘*Glucerna*’, which are nutritional supplements for consumers with a medical condition. Another Abbott subsidiary, ZonePerfect Nutritional Company Inc. (“ZonePerfect”), manufactures health food products, which are primarily designed to help consumers eat nutritiously and maintain their weight at a healthy level. Zoneperfect does not have a physical presence in Ireland and has very minimal sales in the State, which are achieved via the Internet.
4. EAS, the target, manufactures branded lifestyle nutrition products for consumers across the fitness spectrum: from competitive athletes to general fitness enthusiasts. EAS does not have a physical presence in the State, and its products sold in the State are all imported from its UK operation and distributed by an independent third-party. In 2003, EAS’s turnover in the state was approximately €[ ].

**Analysis**

5. Abbott, through RPD and Zoneperfect, and EAS both manufacture and supply nutritional products in the State. However, RPD’s products are designed to address specific medical conditions, whereas EAS’s



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products are primarily used by fitness enthusiasts and athletes, i.e. they are used for non-medical conditions. Although there may be some competitive overlap between the products of ZonePerfect and EAS, ZonePerfect has no physical presence and minimal sales in the State, achieved via the Internet. The absence of overlap in the parties' activities in the Irish nutritional and medical products industries indicates that the proposed acquisition would not substantially lessen competition in any market for goods or services in the State.

### **Determination**

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by Abbott Laboratories of Natural Supplement Association Inc., trading as Experimental & Applied Sciences Inc., will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

**For the Competition Authority**

**Edward Henneberry**  
**Member of the Competition Authority**

**1<sup>st</sup> November 2004**