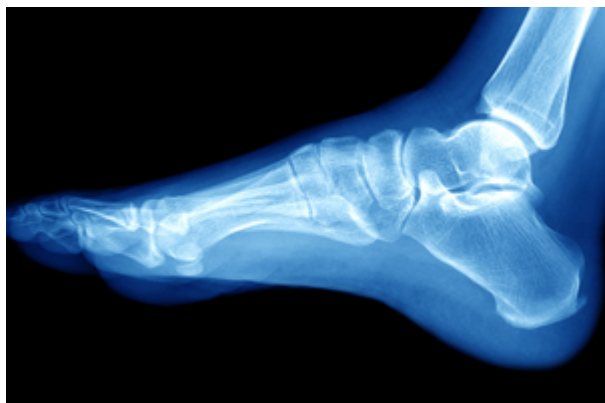


Medical device suppliers' merger raises competition concerns

News story

The CMA has concluded that the merger of 2 suppliers of medical devices could lead to a reduction of competition in the supply of total ankle replacement prosthetics.



The Competition and Markets Authority (CMA) is concerned that, should the proposed £4.2 billion purchase by Stryker Corporation (Stryker) of Wright Medical Group N.V. (Wright) go ahead, it would have a negative impact on vulnerable patients in the UK who need ankle replacements.

Stryker and Wright both manufacture a range of orthopaedic products for patients requiring assistance with their feet, ankles and hands. The total ankle replacement prosthetics produced by Stryker and Wright are predominantly used in elderly orthopaedic patients suffering from arthritis.

Following its initial Phase 1 investigation, the CMA found that the proposed merger would result in the merged entity having a share of over 90% in the total ankle replacement prostheses market in the UK. Should the deal go ahead as planned, the CMA is concerned that Stryker would not face enough competition from other suppliers, leading to higher prices or less choice for hospitals and their patients.

Joel Bamford, CMA Senior Director, said:

The CMA is concerned that this merger and the resulting reduction in competition could lead to worse outcomes for hospitals and patients. The companies are the two major producers of vital medical products for vulnerable people suffering from serious degenerative conditions such as arthritis.

Healthy competition in the medical technology market is central to continued innovation and improvements in patient treatments.

Stryker and Wright now have until 7 July 2020 to address the CMA's concerns through the offer of undertakings in lieu of a Phase 2 reference. If they are unable to address the CMA's concerns, the deal will be referred for an in-depth Phase 2 investigation.

For more information, visit the [Stryker/Wright Medical merger inquiry web page](#).

For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.

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