Press release: Suppliers of antidepressants accused of illegal anti-competitive conduct

The Competition and Markets Authority (CMA) has accused competitors King and Auden Mckenzie of sharing out between them the supply of nortriptyline to a large pharmaceutical wholesaler. The CMA has provisionally found that, in 2014, the 2 companies agreed Auden Mckenzie would supply only 10mg nortriptyline tablets and King would supply only 25mg nortriptyline tablets, as well as agreeing to fix the quantities and the prices of supply.

The CMA has also accused the companies King, Alissa and Lexon of exchanging commercially sensitive information, including information about prices, volumes and entry plans, to try to keep Nortriptyline prices high.

Nortriptyline is prescribed by the NHS and relied on by thousands of patients every month to relieve the symptoms of depression. NHS spending on the drug peaked at £38 million in 2015.

In a Statement of Objections issued today, the CMA has provisionally found that King and Auden Mckenzie's conduct, and the subsequent conduct of King, Alissa and Lexon, broke competition law.

Geoff Steadman, Director of Antitrust at the CMA, said:

If pharmaceutical companies get together to restrict competition for the supply of a drug, this can lead to the NHS — and ultimately the UK taxpayer — paying over the odds for what are often essential medical treatments.

We expect drug suppliers to abide by competition law so that the NHS is not denied the opportunity of benefitting from lower prices for medicines.

This is the CMA's provisional finding and the companies now have the chance to make representations to the CMA before it reaches a final decision.

For more information see the <u>case page</u>.

Notes to editors

1. The Chapter I prohibition in the Competition Act 1998 prohibits anticompetitive agreements and concerted practices between businesses which have as their object or effect the prevention, restriction or distortion of competition within the UK. Similarly, Article 101 of the Treaty on the Functioning of the European Union (TFEU) prohibits anti-competitive

agreements and concerted practices which may affect trade between EU member states.

- 2. The CMA may impose a financial penalty on any business found to have infringed these prohibitions of up to 10% of its annual worldwide group turnover. In calculating financial penalties, the CMA takes into account a number of factors including seriousness of the infringement(s), turnover in the relevant market and any mitigating or aggravating factors.
- 3. A Statement of Objections gives parties notice of a proposed infringement decision under the competition law prohibitions in the Competition Act 1998 or the TFEU. It is a provisional decision only and does not necessarily lead to an infringement decision. Parties have the opportunity to make written and oral representations on the matters set out in the statement of objections. Any such representations will be considered by the CMA before any final decision is made. The final decision will be taken by a case decision group, which is separate from the case investigation team and was not involved in the decision to issue the statement of objections.
- 4. The Statement of Objections is addressed to Alissa Healthcare Research Limited, Auden Mckenzie (Pharma Division) Limited, Auden Mckenzie Holdings Limited, Accord-UK Limited, King Pharmaceuticals Limited, Praze Consultants Limited and Lexon (UK) Limited.
- 5. The Statement of Objections is addressed to Accord-UK Limited (formerly named Actavis UK Limited) because the CMA provisionally considers it was the economic successor of Auden Mckenzie (Pharma Division) Limited and should therefore be held liable for that company's direct involvement in the alleged infringement.
- 6. The Statement of Objections is addressed to Praze Consultants Limited, a consultancy which conducted King's corporate and commercial services, because the CMA provisionally considers that Praze directly participated in both the infringements of competition law alleged against King.
- 7. All information relating to this case can be found on the CMA <u>case</u> <u>page</u>.
- 8. For more information on the CMA see our homepage or follow us on Twitter, LinkedIn and like our Facebook page page. Sign up to our <a href="mailto:e
- 9. Media enquiries should be directed to the CMA Press Office at

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