



सत्यमेव जयते



Fair Competition  
For Greater Good

**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2014/08/201)

16<sup>th</sup> September 2014

**Notice under Section 6 (2) of the Competition Act, 2002 given by Beckman Coulter, Inc. and Beckman Coulter India Private Limited**

**Order under Section 31(1) of the Competition Act, 2002**

1. On 11<sup>th</sup> August 2014, the Competition Commission of India (hereinafter referred to as '**Commission**') received a notice under Section 6 (2) of the Competition Act, 2002 (hereinafter referred to as '**Act**') given by Beckman Coulter, Inc. (hereinafter referred to as '**Beckman Coulter**') and Beckman Coulter India Private Limited (hereinafter referred to as '**Beckman Coulter India**'). Hereinafter, Beckman Coulter and Beckman Coulter India are collectively referred to as the '**Acquirers**'.
2. The notice was filed pursuant to a Master Asset Purchase Agreement (hereinafter referred to as '**MAPA**') entered into between Siemens Healthcare Diagnostics Inc. (hereinafter referred to as '**SHD**') and Beckman Coulter on 11<sup>th</sup> July 2014.
3. The proposed combination pertains to the acquisition of global Siemens microbiology testing business from SHD and various other subsidiaries of Siemens AG (the ultimate parent entity of SHD), by Beckman Coulter, its various subsidiaries and/or other subsidiaries of Danaher Corporation, which is the ultimate holding company of Danaher Group. Beckman Coulter is an indirect subsidiary of Danaher Corporation.
4. Beckman Coulter develops, manufactures and markets products which simplify, automate and innovate complex biomedical testing. Beckman Coulter is present in India through its subsidiaries Beckman Coulter India and Diagnostic Systems Laboratories (India) Private Limited. Beckman Coulter India is *inter-alia* engaged in the business of trading in clinical diagnostics and biomedical research equipment, reagents and their spares, accessories and providing installation and after sale



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services. As stated in the notice, Diagnostic Systems Laboratories (India) Private Limited is not engaged in any business activity in India at present.

5. SHD, as stated above is a part of the Siemens AG which is a global industrial conglomerate active in various sectors like energy, healthcare, industry, and infrastructure. SHD operates in healthcare diagnostics business and offers a broad portfolio of diagnostics solutions, providing assistance in the diagnosis, monitoring and management of diseases. SHD offers to its customers access to a broad portfolio of different testing systems and tests across multiple diseases. Siemens Limited (hereinafter referred to as '**Siemens India**') is the flagship listed company of the Siemens Group in India which operates in the core business areas of industry, infrastructure and cities, energy and healthcare. As stated in the notice, within the healthcare sector, Siemens India provides end-to-end solutions including diagnostics, imaging and therapy.
6. As per the notice, pursuant to the MAPA, all assets worldwide that belong to microbiology testing business shall be transferred from different entities of Siemens AG around the world to various entities of Beckman Coulter / Danaher Corporation globally. As stated in the notice, the assets in India that belongs to microbiology testing business, which are mostly customer contracts, will be transferred from Siemens India to Beckman Coulter India. Further, as stated in the notice, there would not be any transfer of employees or manufacturing units from Siemens India to Beckman Coulter India.
7. It is generally observed that diagnostic tests can be broadly segmented into two categories i.e. *in vitro* and *in vivo* diagnostic tests. *In vitro* diagnostic tests are conducted outside the body and are used to identify and measure substances in patients' tissue, blood or urine samples which enable the physicians to diagnose, treat and monitor the patients. *In vivo* tests use the diagnostic procedures directly on the human body through X-ray, ultrasound etc. As per the information given in the notice, the proposed combination relates to only *in vitro* diagnostics. Further, it is observed that to conduct diagnosis of a disease or a condition, various products may be required, such as reagents which are solutions of specific biological / chemical substances that are able to react with target substances such as microbial organisms



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in the samples to be tested, instruments including consumables and supporting software and sample containers. As stated in the notice, the proposed combination relates to the microbiology testing business. In this regard, SHD designs, manufactures and sells complete solutions for the identification and susceptibility testing of certain pathogenic microorganisms namely a wide range of bacteria (i.e. bacteriology) and certain yeast / fungi (i.e. mycology).

8. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 ('Combination Regulations'), vide letter dated 22<sup>nd</sup> August 2014, the Acquirers were required to remove certain defects and provide information/document(s) latest by 28<sup>th</sup> August 2014. The Acquirers submitted their response vide letter dated 29<sup>th</sup> August 2014 after seeking an extension in this regard.
9. As stated above, Beckman Coulter India will acquire only those assets that belong to microbiology testing business more particularly, customer contracts from Siemens India as a part of the proposed combination in India. As per the information given by the Acquirers, no subsidiary of Danaher Corporation including Beckman Coulter and Beckman Coulter India has any activities in the bacteriology and mycology testing market or even in the broader segment of microbiology *in vitro* diagnostics, in India. Therefore, it is observed that there is no overlap between the activities of the Acquirers in India and the microbiology testing business of Siemens India. Further, as per the information given, as Beckman Coulter, Beckman Coulter India and the subsidiaries of Danaher Corporation do not supply any product to Siemens India in relation to microbiology testing business, there is no existing vertical relationship between the parties to the combination.
10. Considering the facts on record and the details provided in the notice given under sub-section (2) of section 6 of the Act and assessment of the proposed combination on the basis of factors stated in sub-section (4) of section 20 of the Act, the Commission is of the opinion that the proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the same under sub-section (1) of section 31 of the Act.



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11. This approval is without prejudice to any other legal/statutory obligations as applicable.
12. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.
13. The Secretary is directed to communicate to the Acquirers accordingly.