



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

**STATEMENT OF THE FEDERAL TRADE COMMISSION
IN RE ROCHE HOLDING/SPARK THERAPEUTICS**

Commission Matter No. 1910086
December 16, 2019

The Commission has closed its investigation of Roche Holding AG's acquisition of Spark Therapeutics Inc. following an exhaustive, 10-month investigation by Commission staff. The Commission also closely cooperated with the United Kingdom Competition and Markets Authority throughout the investigation.

The FTC strives to closely scrutinize incumbents' acquisitions of current, potential, and nascent competitors, particularly where the incumbent has market power. The Commission will seek to block or require divestitures in transactions where such acquisitions diminish competition and harm consumers. For example, consumers could be harmed if a transaction forecloses or delays competition from next-generation products.¹

In this case, Commission staff examined various theories of potential competitive harm, including harm that could result from overlaps between existing and pipeline products of the two companies. A key question in the investigation was whether Roche would have the incentive to delay or discontinue Spark's developmental gene therapy for hemophilia A.

Existing treatments for hemophilia A include (depending on patient characteristics), Factor VIII replacement therapy, bypassing agents, and Roche's Hemlibra, a monoclonal antibody that prevents or reduces the frequency of bleeding episodes in patients with hemophilia A. Hemlibra is a relatively new, but potentially leading treatment for hemophilia A. Gene therapies have the potential to significantly improve the treatment of, and possibly even cure, hemophilia A, eliminating the need for additional treatment. No gene therapy yet has been approved for hemophilia A.

The evidence developed during staff's investigation did not indicate that Roche would have the incentive to delay or terminate Spark's developmental effort for its hemophilia A gene therapy, or that the acquisition would affect Roche's incentives regarding Hemlibra. Among other things, Spark is only one of several companies currently developing a gene therapy treatment for hemophilia A. As the other companies endeavor to bring their gene therapies to market, Roche would have the incentive to accelerate, rather than decelerate the development of Spark's gene therapy in order to compete for gene therapy patients.

¹ For example, in the acquisition of a potential or nascent competitor, the transaction may leave the incumbent with the incentive to degrade or eliminate the acquired firm's products or services, or to delay development of a next-generation product.

Merger investigations are highly fact-specific, and the determination of whether a transaction will result in potential competitive harm requiring an enforcement action is driven by evidence. The evidence here did not lead to the conclusion that the transaction would be likely to reduce competition and harm consumers in this market. In other situations, the facts may show otherwise. The Commission will continue to closely scrutinize acquisitions by incumbents of emerging competitors, and will not hesitate to bring enforcement actions against them where the facts support such action. As always, the decision to close this particular investigation has no bearing on any subsequent investigation conducted by the Commission, even if that future investigation is of the same industry—or even of the same products—investigated here.