



FOR IMMEDIATE RELEASE

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WLF Urges Federal Trade Commission To Treat Pharmaceutical Mergers Like All Other Mergers

(In re Antitrust Standards for Pharmaceutical Mergers)

“Treating pharmaceutical mergers differently will lead to decreased innovation and fewer life-saving drugs.”

—John Masslon, WLF Senior Litigation Counsel

WASHINGTON, DC—Washington Legal Foundation (WLF) today urged a federal antitrust regulator to stay the course and not discriminate against pharmaceutical mergers. In formal comments filed with the Federal Trade Commission, WLF explains that abandoning the focus on competition when analyzing pharmaceutical mergers will lead to unintended consequences and less pharmaceutical innovation.

Together with antitrust agencies in other countries, the FTC is considering changing how it evaluates proposed pharmaceutical mergers. Rather than focusing on whether a merger helps or hurts competition, the FTC is considering using amorphous standards when evaluating pharmaceutical mergers. This proposal lacks any support in federal law.

WLF’s comments explain the unintended consequences of treating pharmaceutical companies differently. By discouraging such mergers, the FTC will decrease incentives for new market entrants who innovate by creating new drugs to treat rare diseases. These small companies will see a lower potential return because they cannot be acquired by larger companies. And those small companies that undertake pathbreaking research may be unable to get drugs to market. The larger pharmaceutical companies could also lose the ability to leverage their efficient distribution of drugs for quick adoption. WLF therefore urges the FTC to treat pharmaceutical mergers the same as all other mergers.

Celebrating its 44th year, WLF is America’s premier public-interest law firm and policy center advocating for free-market principles, limited government, individual liberty, and the rule of law.

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