



BOSNIA AND HERZEGOVINA
Council of Competition

Number: 01-04-26-009-7-II/06
Sarajevo, 12 October 2006

Pursuant to Article 25, paragraph (1), item e), article 42, paragraph (1), item d) and Article 18 of the Act on Competition («Official Gazette of BH», No. 48/05) and upon the notification of intended concentration between Bar Laboratories Europe B.V.i.o., Amsterdam, Rokin 55, Holland represented by a lawyer Sead Miljkovic from Sarajevo, and PLIVA d.d., Zagreb, Ulica grada Vukovara 49, Republic of Croatia, registration number 01-04-26-009-II/06, date 06 July 2006, the Council of Competition in its 34th (thirtyfourth) session, held on 12 October 2006 has adopted

DECISION

1. The concentration, which shall be acquired in the market of specialised (generic) pharmaceutical products in Bosnia and Herzegovina as result of the acquisition of the majority of shares of PLIVA D.D., Zagreb, Ulica grada Vukovara 49, Republic of Croatia by Bar Laboratories Europe B.V.i.o., Amsterdam, Rokin 55, Holland in the public bidding, is declared compatible.
2. This Decision shall be recorded in the Registry of Concentrations.
3. This Decision is final and it shall be published in the «Official Gazette of BH », in official gazettes of Entities and Brdsko District of Bosnia and Herzegovina.

Exposition

Bar Laboratories Europe B.V.i.o., Amsterdam, Rokin 55, Holland submitted to the Council of Competition a Notification of intended concentration on 06 July 2006.

The insight into the documentation submitted together with the Notification showed that documentation was not complete and upon the request of the Council of Competition the Applicant submitted the missing documents on 25 August 2006. The Council of Competition, pursuant to Article 30, paragraph (3) of the Act on Competition on 06 October 2006, issued a Receipt on receipt of the complete and regular notification on intended concentration concerned.

The subject of the Notification is concentration which shall be acquired in the market of specialised (generic) pharmaceutical products in Bosnia and Herzegovina in a case that Bar Laboratories Europe B.V. i.o. Amsterdam, Rokin 55, Holland (hereinafter: Bar Europe) acquires a control over the undertaking PLIVA d.d., Zagreb, Ulica grada Vukovara 49, Republic of Croatia (hereinafter: Pliva) by means of purchase the shares in the public takeover bid, published in the Narodne novine of Republic Croatia, No. 92 on 19 August 2006.

The analysis of the data of the Notification and supporting documentation accompanied by Notification the Council of Competition has ascertained the following facts:

1. Bar Europe is an association which is exclusively founded for the purpose of publishing and realisation of the takeover bid of shares of Pliva and as such it has no assets and does not create a profit (an association founded with the specific object).
2. Bar Europe is an subsidiary association and it is a property of Barr Pharmaceuticals, inc., 400 Chesnut Ridge Road, Woodcliff Lake, New Jersey 07677, USA (hereinafter: Barr America) which is a part of Delaware holding company which has its main branches Barr Laboratories and Duramed Pharmaceuticals, Inc. The main activity of the company is production and launching of the generic and its own pharmaceuticals products.
3. In the financial year 2005, the Barr America realised a total turnover of ()** EUR , ()**KM. The turnover was realised in the markets of USA and Canada because the Barr America has no business activity in Europe and accordingly it has no business activity in Bosnia and Herzegovina.
4. In the financial year 2005, Pliva realised a total turnover of () **EUR, () **KM in the world market.
5. Provided that all above mentioned total turnovers of the parties to the concentration were realised in 2005 pursuant to Article 14, paragraph (1), item a) and Article 16, paragraph (2) of the Act on Concentration, Barr America has been obliged to submit a notification on intended concentration.
6. Pliva has a registered subsidiary association Pliva d.o.o. Sarajevo in Bosnia and Herzegovina. That subsidiary association is not active in Bosnia and Herzegovina but it acts through its branches (which are not the legal persons) in Sarajevo, Mostar and Banja Luka. Those branches practise the researches of the market, advertising campaign and informational duties and they represent the founder, but Pliva practices the distribution and sale of its products.
7. The notifications on intended concentration were submitted to the competent bodies in Croatia, USA, Germany and Slovenia.

The relevant market of the concentration in question is a market of sale of the specialised (generic) products in territory of Bosnia and Herzegovina since Pliva sells its specialised (generic) pharmaceutical products in the territory of Bosnia and Herzegovina.

On a basis on the factual situation and evidences established from the documentation submitted accompanied to the Notification, the Council of Competition has concluded that the concentration in question shall not cause the infringement of the competition rules in the market of the specialised (generic) pharmaceutical products in Bosnia and Herzegovina and that it can be assessed compatible without the institution of the procedure.

In accordance with the all presented above, the Council of Competition has assessed that the intended concentration shall not have as its result a negative effects in the market and it has decided as it is stated in the enacted terms of this Decision.

()** These data are a business secret.

Administration tariffs

On this Decision the Applicant, pursuant to the Article 2, paragraph (1) , tariff number 107, item d)2) of the Regulation on administration taxes relating to the practices before the Council of Competition (“ Official Gazette of BH”,No.30/06), is obliged to pay

administration tariff of 2 500,00KM for the benefit of the budget of Institutions of Bosnia and Herzegovina.

Instruction of legal remedy

This Decision is final and no appeal is allowed against it. Unsatisfied party shall be entitled to bring an administrative dispute before the Court of Bosnia and Herzegovina within thirty days (30 days) from the date of acceptance of this Decision, i.e. from the date of its publication.

President

Gordan Raspudić