



Office of the Secretary

United States of America
FEDERAL TRADE COMMISSION
WASHINGTON, DC 20580

February 20, 2015

Dav
State of Texas

Re: *In the Matter of Eli Lilly and Company and Novartis AG*
File No. 1410142, Docket No. C-4500

Thank you for your comments regarding the proposed consent order accepted by the Federal Trade Commission for public comment in the above-captioned matter. As we understand your comment, you have concerns about higher prices and lower quality of canine heartworm preventative medications resulting from Eli Lilly and Company's ("Eli Lilly") proposed acquisition of Novartis AG's ("Novartis") Sentinel products. The Commission has reviewed your comments in connection with its decision concerning whether to accord final approval to the proposed consent order.

The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and it has been given careful consideration. The Commission evaluated how the proposed acquisition, if unremedied, would likely lead to higher prices in the market for canine heartworm parasiticides and crafted the Decision and Order to protect the benefits of competition that having Eli Lilly and Novartis as independent suppliers created. The proposed Decision and Order resolves the acquisition's anticompetitive effects in regards to canine heartworm parasiticides by requiring Eli Lilly to sell all of its rights and assets to the Sentinel products to Virbac S.A. ("Virbac"). Virbac has the necessary relevant manufacturing, distribution, and sales experience to maintain the same level of competition for the Sentinel products that existed prior to the acquisition. This remedy is designed to preserve the close competition between Trifexis and Sentinel and address the concerns identified in your comments.

In light of these considerations, among others, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's website at <http://www.ftc.gov>.

It helps the Commission's analysis to hear from a variety of sources in its work on antitrust and consumer protection issues, and we appreciate your interest in this matter.

By direction of the Commission.

Donald S. Clark
Secretary