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Commission has approved the creation of a joint venture between Sanofi and Bristol-Myers Squibb for two new pharmaceuticals

The European Commission has approved the creation of a joint venture in the pharmaceutical sector between the French company Sanofi and the US company Bristol-Myers Squibb. The purpose of the co-operation is the development, manufacture and commercialisation of two new pharmaceuticals in the cardiovascular area.

One of the joint venture products (i.e. the anti-platelet drug Clopidogrel) is intended to prevent blood vessels from clotting in patients who have suffered a prior heart attack or stroke, while the other product (i.e. the angiotensin II receptor antagonist Irbesartan) is intended for the treatment of high blood pressure.

The products have been jointly developed by the parties, each devoting considerable financial and other resources. A jointly owned company, Sanofi Pharma Bristol-Myers Squibb SNC, will be responsible for putting the products on the market in the European Union. Distribution will be in the form of either co-marketing or co-promotion, depending on the regulatory and commercial conditions in the country in question.

The parties' activities in these fields are complementary, with only a marginal overlap, and the Commission considers that the joint venture does not appreciably restrict competition between the parties. Moreover, considering the generally competitive market structures and the existence of important generics, the joint venture is not likely to have any appreciable restrictive effect on third parties.

The Commission dealt with the case under accelerated procedure for structural joint ventures and the parties received a comfort letter within two months of completing their notification.