

VENEZUELAN ANTITRUST AUTHORITY FINES BECTON DICKINSON

Friday, 3rd June 2005

Venezuela's antitrust authority, Pro-Competencia, has fined a US parent-company US\$1.6 million for abuse of dominance. The decision relates to Becton Dickinson Venezuela's refusal to sell medical products needed to combat the spread of HIV/AIDS. The complaint was brought by Inmunolab Laboratorios, authorised distributor for Becton Dickinson Venezuela, in 2004.

In a statement issued by Pro-Competencia, the authority said: 'Becton Dickinson Venezuela refused to sell agents that are unique and vital for diagnostic teams.' The agents in question are vital ingredients for a medical kit used to test for HIV/AIDS. As Becton Dickinson Venezuela had a 100 per cent local market share for the products at the time of the complaint, the authority ruled that local patients were at risk as a result of this refusal to sell. Pro-Competencia has now asked state prosecutors to open an investigation.

Becton Dickinson Venezuela is a subsidiary of Becton Dickinson, a New Jersey-based manufacturer of medical equipment. Its products include syringes, antibodies and home healthcare products, as well as diagnostics tests. In 2004, the company had revenues of US\$4.9 billion.

Inmunolab Laboratorios specialises in administering products from the immunology industry. The company has been operating for 15 years.

Carlos Medina and Edmundo Ginter, general counsel at Inmunolab Laboratorios, retained Torres Plaz & Araujo for the hearing. Partners Juan Domingo Alfonzo Paradisi and Gustavo Marín worked on the competition issues, while associate Ana Carolina González gave commercial advice.

Becton Dickinson took antitrust advice from Baker & McKenzie (Venezuela) through partners Alejandro Alfonzo-Larrain and Juan Carlos Andrade, and associate Jose Angel Cobeña.