

## CLIENT ALERT

### EU Antitrust: Raids on Pharma Companies and E.ON Divestments

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#### EU Commission raids pharma companies days before sector inquiry interim report

The European Commission has confirmed that it conducted antitrust dawn raids at the offices of several pharmaceutical companies in Europe on November 24. The raids come four days before publication of the interim report in the Commission's pharmaceuticals sector inquiry investigating competition issues in the industry. Press reports have identified both generic and originator companies as targets of the raids.

The Commission has said that the latest raids are not part of the sector inquiry and are not linked to the earlier raids that launched the inquiry on January 15. However, knowledge acquired during the inquiry has, it said, allowed it to "draw conclusions on where Commission action based on competition law could be appropriate and effective".

The Commission's press release confirming the raids is available by clicking here: [Antitrust: Commission confirms unannounced inspections at pharmaceutical companies](#)

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#### EU Commission accepts binding divestment commitments from E.ON in the wake of its energy sector inquiry

On November 26 the Commission formally accepted binding commitments from the German energy giant E.ON to divest (i) its transmission system business consisting of an Extra-High-Voltage (380/220 kV) line network and system operations (currently run by E.ON Netz) and (ii) 5000MW of generation capacity. E.ON's offer to divest comes in the wake of the Commission's 2006 energy sector inquiry, which identified competition concerns arising from E.ON's ownership of both the transmission network and generating capacity in Germany, and a subsequent investigation of E.ON for alleged abuse of market dominance. The allegations included (i) withholding output to drive up electricity prices and (ii) granting preferential network access to its own generation business while passing the resulting costs on to consumers.

The Commission's press release is available by clicking here: [Antitrust: Commission opens German electricity market to competition](#)

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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