



**Determination No. M/05/066 of the Competition Authority, dated 14<sup>th</sup> November 2005, under Section 21 of the Competition Act, 2002**

**Notification No. M/05/066 – the proposed acquisition of Accellent Inc. by Kholberg Kravis Roberts & Co. L.P.**

**Introduction**

1. On 27<sup>th</sup> October 2005 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Kholberg Kravis Roberts & Co. L.P. (“KKR”) would acquire Accellent Inc. (“Accellent”).

**The Parties**

2. KKR, a US based company, makes equity investments in management buy-outs on behalf of itself and its investors either through controlling ownership or strategic minority positions in companies operating in different sectors of the economy. It has operations around the world and its turnover in Ireland in 2004 was c. €66m.
3. Accellent is a U.S. based corporation which provides integrated contract manufacturing and design services to the medical device industry. It has three operating segments: endoscopy, cardiology and orthopaedic. Its Irish manufacturing facility is based in Galway. In Ireland, Accellent is only active in the manufacturing of ground metal wire used in medical applications. Its turnover in Ireland was less than €10m. Accellent estimates that in Ireland its products are used in approximately 20% of the component categories in which it operates.

**Analysis**

4. KKR controls one company active in the health care industry, namely Alliance Imaging, Inc., which is based in California and does not compete against Accellent in Ireland. No KKR portfolio company is engaged in a business that competes with that of Accellent in Ireland.



**The Competition Authority**  
An tÚdarás Iomaíochta

## **Determination**

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by Kholberg Kravis Roberts & Co. L.P. of Accellent Inc. will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the proposed acquisition may be put into effect.

**For the Competition Authority**

**Edward Henneberry**  
**Member of the Competition Authority**