



Commission conditionally approved the acquisition of Sirona by Dentsply

The European Commission ("Commission") conditionally approved the acquisition of dental equipment supplier Sirona by Dentsply.

Dentsply is a US based company that designs, develops, manufactures and markets a broad range of consumable dental products for the professional dental market. Dentsply also manufactures and markets other consumable medical devices.

Sirona is a US based global manufacturer of dental equipment and is focused on developing, manufacturing and marketing innovative solutions for dentists.

On 7 January 2016, the Commission was notified of the proposed acquisition by Dentsply of Sirona. The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The Commission focused its investigation of the transaction between Dentsply and Sirona on the main product areas where both undertakings are active, namely CAD/CAM materials, small dental equipment, dental imaging systems and dental implant systems.

Based on its investigation, the Commission concluded that the transaction would potentially give the merged entity the ability and incentives to exclude competitors by refusing other block providers to use Sirona's chairside CAD/CAM system in order to favour its own blocks. Currently Dentsply's offer in chairside CAD/CAM blocks is limited but the investigation showed that it could be expanded in the near future to replace other CAD/CAM blocks suppliers. This could lead to higher prices for CAD/CAM blocks, which would be paid by dentists and ultimately result in higher costs for patients in need of dental restoration work.

In order to address the Commission's concerns, the parties offered the following commitments to ensure the compatibility of Sirona's chairside CAD/CAM systems with the CAD/CAM blocks of competitors:

- an extension of the existing licensing agreements with the competing chairside CAD/CAM block suppliers by 10 years, i.e. until 1 March 2026;
- technical and legal safeguards for competing CAD/CAM block suppliers for the duration of their licensing agreements. This includes providing the necessary know-how to these suppliers, protecting confidential commercial and technical information and refraining from taking measures that could limit the usability of the competitors' CAD/CAM blocks;
- and a fast track arbitration procedure for dispute settlement.

The Commission found that these commitments addressed its competition concerns. The decision to approve the transaction is conditional upon full compliance with the commitments.

We hope this information is useful to you.

You should not hesitate contacting us should you have any further questions or remarks.

Best regards,
Sarah