

US regulator takes aim at Stryker's bid for Wright



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The [\\$4.7bn merger](#) between the orthopaedics groups Stryker and Wright Medical has attracted the attention of the US Federal Trade Commission – and with the antitrust authority having [shown its teeth recently](#) over the \$1.2bn Illumina-PacBio deal this might be more than a mere formality. On December 31 the FTC sent a second request to Stryker and Wright, and the two groups must now submit reams of documentation and their management teams must attend hearings. The upshot might not be as drastic as that of the Illumina-PacBio investigation – that deal was formally terminated yesterday – but the probability is that divestments will be necessary to get the deal done. One of the overlaps between Stryker and Wright is lower extremity joint implants, with Wright having a 70% share of the total ankle replacement market, for example. The companies will have to work fast to hit the initial close date of the second half of 2020. If the FTC does scupper the deal it could open the way for Smith & Nephew to step in as a buyer. Smith & Nephew is rumoured to have made a counterbid for Wright, and probably poses less of an anticompetitive risk.

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