

Results of review on the Acquisition by M3, Inc. of the Shares in Nihon Ultmarc Inc. (Tentative Translation)

Part I Parties

M3, Inc. (hereinafter referred to as “M3”; the group of enterprises that have already been combined with M3 (excluding Nihon Ultmarc Inc. (hereinafter “Nihon Ultmarc”)) hereinafter referred to as “M3 Group”) is the company conducting the business of operating and managing the platforms that provide drug information (hereinafter referred to as the “Drug Information Providing Platform Operation Business”) (hereinafter an enterprise that conducts such business is referred to as the “Drug Information Providing Platform Operator”). A “Drug Information Providing Platform” refers to the internet-based platform that provides doctors¹ with information and advertising on the proper use of prescription drugs and other relevant topics (hereinafter referred to as “Drug Information”).

Nihon Ultmarc is the company conducting the business of providing medical information databases (hereinafter referred to as the “Medical Information Database Provision Business”). A medical information database refers to an organized collection of information (or data) on medical institutions and doctors and other healthcare professionals working at those institutions (as a database).

Hereinafter, M3 Group and Nihon Ultmarc are collectively referred to as the “Parties.”

Part II Outline of This Case and Applicable Provision

In this case, M3 planned to acquire all of the voting rights attached to the shares in Nihon Ultmarc (hereinafter referred to as the “the conduct of this case”) and fulfilled it. The conduct of this case did not meet the notification criteria, but the Japan Fair Trade Commission (JFTC) had concerns about restraint of competition by the conduct of this case. Therefore, the JFTC conducted the review into the conduct of this case.

The applicable provision is Article 10 of the Antimonopoly Act.

Part III Brief Summary of Results of review

The JFTC proceeded with its review by conducting hearings from the competitors of the Parties and other parties concerned with several fields of trade in

¹ In most cases, provision of Drug Information is intended for doctors, although some is provided to drug-related healthcare professionals such as pharmacists, in addition to doctors. For this reason, discussions in this document are based on the assumption that recipients of Drug Information are doctors.

which the Parties had transactions. As a result, the JFTC concluded that the conduct of this case would not substantially restrain competition based on the premise that remedies proposed to the JFTC by the Parties would be implemented for the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors, although the JFTC had once found that it would substantially restrain competition. In the review into the conduct of this case, the JFTC considered, among others, issues with the vertical business combination and the conglomerate business combination in relation to the Medical Information Database Provision Business and the Drug Information Providing Platform Operation Business. Given this, the possible effects on the relevant market are described in detail below.

Part IV Medical Information Database Provision Business

1. Brief description

Nihon Ultmarc conducts the business of providing medical information databases known as “Medical Databases (hereinafter referred to as “MDB”) Provision Business.” The MDB Provision Business is the business of compiling data on medical institutions and doctors and pharmacists working at those institutions throughout Japan in the form of each master file (master data file) collectively called MDB as a database and providing only enterprises and organizations in the fields of medical care, welfare, public health or other relevant services with such database for value.

Moreover, the MDB Provision Business introduces the mechanism called “shared and open-source maintenance” by members. More specifically, when an enterprise or an organization that is provided the MDB becomes a member² and obtains new information on doctors or pharmacists, that member will give a feedback on such information to Nihon Ultmarc, which in turn updates the contents of the MDB, as appropriate. This makes it possible for Nihon Ultmarc to daily keep the MDB up-to-date.

2. Category of the MDB

The MDB are categorized into the databases on medical institutions in Japan, databases on doctors and pharmacists in Japan, and other databases. Nihon Ultmarc sets the fees for each of the databases it provides.

² According to Nihon Ultmarc, 247 enterprises including the Drug Information Providing Platform Operators and pharmaceutical companies join this mechanism as the corporate members (as of March 1, 2019).

3. Critical characteristics of the MDB

Enterprises to which the MDB are provided consist chiefly of the pharmaceutical companies and the Drug Information Providing Platform Operators. The MDB are recognized, in a word, as de facto standard databases among the pharmaceutical companies and the Drug Information Providing Platform Operators. The reason why the MDB are evaluated as such by the pharmaceutical companies and the Drug Information Providing Platform Operators is that the MDB have the following three critical characteristics that other databases do not.

- (i) DCF (doctor computer file) code³ is given;
- (ii) It is confirmed that doctors registered with the database have the doctor license; and
- (iii) Information is kept up to date thanks to the shared and open-source maintenance mechanism by the members.

Part V Drug Information Providing Platform Operation Business

1. Brief description of the business of M3

(1) M3 operates the portal site for healthcare professionals called “m3.com.” Only healthcare professionals such as doctors and pharmacists can be registered with m3.com as its members. m3.com makes various medical information available to the healthcare professionals who are its members, and also provides a forum for exchange of information among those healthcare professionals. Registration with m3.com is free of charge, and its members, once registered, can use the site at no cost. In 2016, out of 319,000 doctors in Japan, at least 280,000 doctors were the members of m3.com. This means that at least approximately 85% of doctors in Japan were the members of m3.com. When a doctor has himself or herself registered with m3.com as a new member, M3 confirms by checking with the MDB or otherwise that he or she is a medical practitioner.

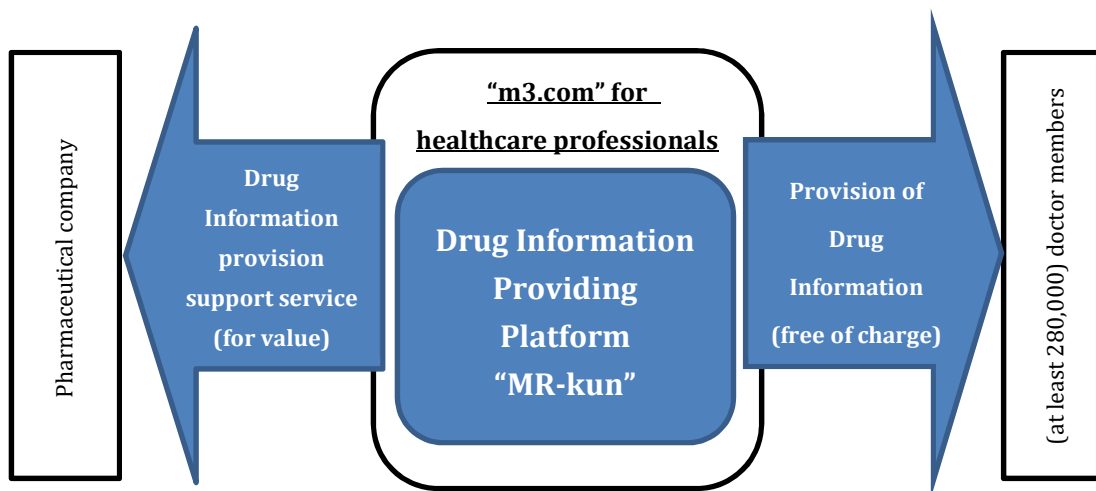
(2) M3 also deploys the Drug Information Providing Platform Operation Business known as “MR-kun” as part of its m3.com business. MR-kun is one of the services available on the portal site of m3.com through which MRs⁴ of pharmaceutical

³ Each of doctors and medical institutions in Japan that are registered with the MDBs is given a unique number called “DCF code.” When a pharmaceutical company provides Drug Information only to doctors who meet the certain conditions by utilizing the Drug Information Providing Platform, it will use the DCF Code to give the Drug Information Providing Platform Operators instructions as to doctors to whom the Drug Information should be provided.

⁴ An abbreviation of medical representatives. MRs refer to those whose main duties are to gather and provide information on matters relating to the quality, efficacy and safety of pharmaceuticals and medical devices, and other information necessary for the proper use of pharmaceuticals and medical devices and others by physically visiting healthcare professionals or otherwise, with the aim of contributing to the proper use of drugs.

companies provide doctors who are the members of m3.com with current Drug Information and other information helpful for daily diagnosis free of charge. MR-kun enables MRs to provide and exchange Drug Information on the internet that they previously provided when they physically visited hospitals, and presents an aspect of the services to help pharmaceutical companies to provide doctors with Drug Information. By paying M3 certain fees, a pharmaceutical company can deliver Drug Information directly to doctors who are the m3.com members after targeting the doctors to whom it provides information under the certain conditions in order to accurately reflect the marketing strategy of its individual product, and can provide Drug Information efficiently and effectively.

[Figure 1] Business model of m3.com and MR-kun



In addition, as pharmaceutical companies are prohibited by the governmental regulations under the “Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices” and the “Standard for Adequate Advertisement of Pharmaceutical Products” (September 29, 2017 Notice of Director-General for Pharmaceutical Safety and Environmental Health Bureau, Ministry of Health, Labour and Welfare) (hereinafter collectively referred to as the “PMD Act and others”) from advertising prescription drugs and providing information on prescription drugs to non-healthcare professionals, those companies are not permitted to place advertising, etc. of prescription drugs on any website viewable by the general public. In this regard, pharmaceutical companies can use MR-kun to provide Drug Information without violating the above-mentioned governmental regulations, since the m3.com members are the doctors who are registered with

the MDB of Nihon Ultmarc or the doctors who are identified as such through M3's independent examination.

2. Drug Information Providing Platform Operators other than M3

Pharmaceutical companies using the Drug Information Providing platforms emphasize the conditions enumerated in (i) through (iii) below as the criteria for selection of a Drug Information Providing Platform Operator:

- (i) It provides Drug Information through the use of the internet technology;
- (ii) Its members are the doctors registered with the MDB, and it provides the services that are aligned with the MDB; and
- (iii) A considerable number of doctors are registered as members.

M3's Drug Information Providing Platform Operation Business (MR-kun) meets the above-mentioned three conditions. In addition to M3, there are a few competitors that meet the above-mentioned three conditions.⁵

Part VI Particular Fields of Trade

1. Definition of particular fields of trade in the case of two-sided market

The Drug Information Providing Platform Operation Business has two different tiers of users: pharmaceutical companies and doctors. For this reason, in defining particular fields of trade, the JFTC defines the service range and geographic range for each of those tiers of users after considering the demand substitutability and supply substitutability for each of those tiers of users.

2. Service range

(1) Drug Information Providing Platform Operation Business

A. Drug Information Providing Platform Operation Business of which users are pharmaceutical companies

(a) Demand substitutability

The Drug Information Providing Platform Operation Business is the business of operating and managing the internet-based platform that provides Drug Information to doctors, and pharmaceutical companies are the users that are provided support services for provision of Drug Information to doctors. For pharmaceutical companies, there is no service like the Drug Information Providing Platform Operation Business.

⁵ Although Nihon Ultmarc conducts the Drug Information Providing Platform Operation Business as well, its sales from that business is extremely insignificant. This is why there is no description of results of review into horizontal business combination.

(b) Supply substitutability

Provision by the Drug Information Providing Platform Operator of Drug Information at the request of a pharmaceutical company is a kind of targeted advertising. More specifically, the Drug Information Providing Platform Operation Business resembles general internet advertising agency business in that those businesses intermediate between an enterprise that wants to place an advertising, etc. of its product and third parties who will be provided the information to realize an effective and efficient provision of information on the internet.

Prescription drugs are subject to the certain advertising regulations under the PMD Act and others and, therefore, it is necessary to restrict the target of the Drug Information Providing Platform Operator providing Drug Information to healthcare professionals. In this regard, the Drug Information Providing Platform Operators have achieved targeted advertising to doctors by providing Drug Information through the use of the MDB. For this reason, when an internet advertising agency or other entity intends to initiate the Drug Information Providing Platform Operation Business, it will need to take new actions, including the use of the MDB, to address the advertising regulations under the PMD Act and others. Thus, it is difficult to initiate the Drug Information Providing Platform Operation Business in a short period without bearing substantial additional costs and risks, and the supply substitutability is not admissible.

(c) Summary

Given the above, the JFTC defined the service range as the “Drug Information Providing Platform Operation Business of which users are pharmaceutical companies.”

B. Drug Information Providing Platform Operation Business of which users are doctors

(a) Demand substitutability

The Drug Information Providing Platform Operation Business is the business of operating and managing the internet-based platform that provides Drug Information to doctors, and doctors are the users who are provided Drug Information.

For doctors, there is no service like the Drug Information Providing Platform Operation Business.

(b) Supply substitutability

For the same reason as described in A(b) above, it is difficult for the internet advertising agency or other entity to initiate the Drug Information Providing Platform Operation Business in a short period without bearing substantial additional costs and risks, and the supply substitutability is not admissible.

(c) Summary

Given the above, the JFTC defined the service range as the “Drug Information Providing Platform Operation Business of which users are doctors.”

(2) Medical Information Database Provision Business

A. Demand substitutability

For the Drug Information Providing Platform Operators and pharmaceutical companies, there is no service like the Medical Information Database Provision Business.

B. Supply substitutability

There is no business, like the Medical Information Database Provision Business, by which the Medical Information Data Provision Business can be initiated in a short period without bearing substantial additional costs and risks.

C. Summary

Given the above, the JFTC defined the service range to the “Medical Information Database Provision Business.”

(3) Geographic range

A. Drug Information Providing Platform Operation Business of which users are pharmaceutical companies

The Drug Information Providing platforms are utilized by pharmaceutical companies doing business in Japan, and those companies can utilize the Drug Information Providing platforms anywhere throughout Japan. There is no special circumstance where usage fees for the Drug Information Providing platforms largely differ from region to region.

Therefore, the JFTC defined the geographic range as “all regions of Japan.”

B. Drug Information Providing Platform Operation Business of which users are doctors

The Drug Information Providing platforms are utilized by doctors in Japan, and those doctors can utilize the Drug Information Providing platforms anywhere throughout Japan. In addition, doctors can utilize the Drug Information Providing platforms free of charge in any region.

Therefore, the JFTC defined the geographic range as “all regions of Japan.”

C. Medical Information Database Provision Business

The pharmaceutical companies located in Japan, and the Drug Information Providing Platform Operators located in Japan are provided the medical information databases. There is no special circumstance where fees for the medical information databases largely differ from region to region.

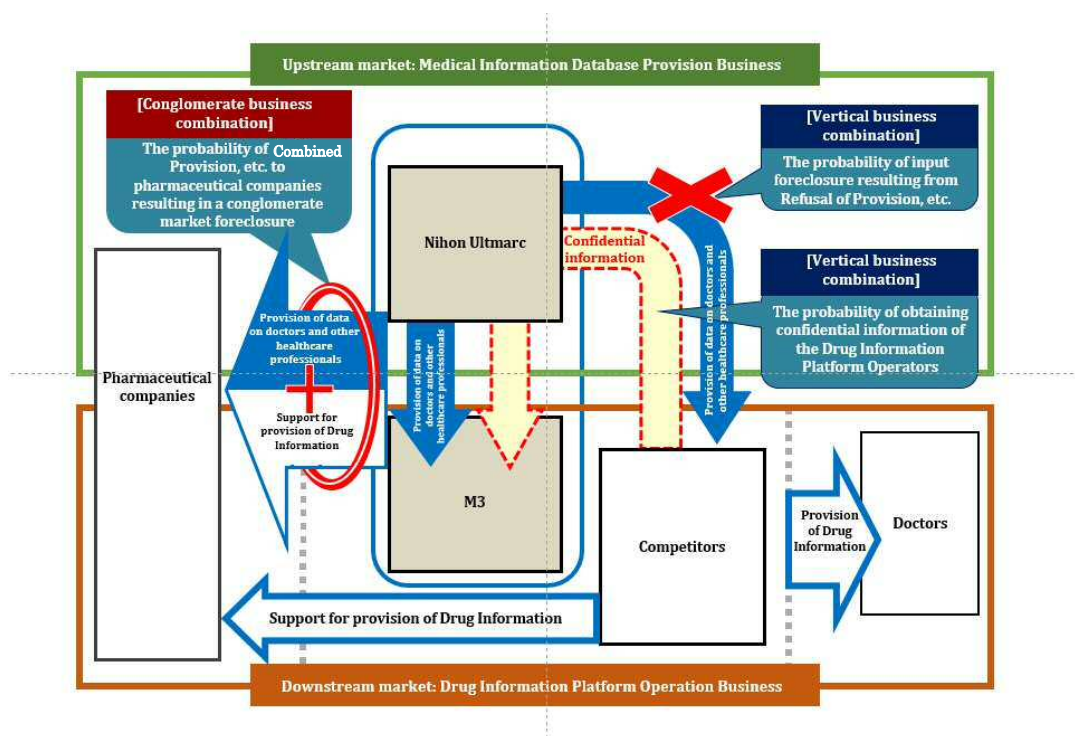
Therefore, the JFTC defined the geographic range as “all regions of Japan.”

Part VII Examination on Substantial Restraint on Competition

1. Manner of business combination in relation to the conduct of this case

The conduct of this case chiefly poses the following two issues: (i) vertical business combination (upstream market: Medical Information Database Provision Business; downstream market: Drug Information Providing Platform Operation Business of which users are pharmaceutical companies/doctors); and (ii) conglomerate business combination (Medical Information Database Provision Business; Drug Information Providing Platform Operation Business of which users are pharmaceutical companies/doctors), as examined below.

[Figure 2: Schematic View of the conduct of this case]



2. Closure or exclusivity of the market resulting from vertical business combination (upstream market: Medical Information Database Provision Business; downstream market: Drug Information Providing Platform Operation Business of which users are doctors and pharmaceutical companies)

(1) Positions of the Parties and state of competitors

A. Medical Information Database Provision Business (upstream market)

There is no database having the characteristics as described in Part IV-3 above, other than the MDB, in the Medical Information Database Provision Business.

B. Drug Information Providing Platform Operation Business (downstream market)

(a) Drug Information Providing Platform Operation Business of which users are pharmaceutical companies

The market shares of the Drug Information Providing Platform Operation Business are as shown in the table below, and M3 has a share of approximately 75% (1st rank). By contract, the shares of its competitors is at the most around 10%, which is substantially lower than that of M3.

[Market shares of the Drug Information Providing Platform Operation Business of which users are pharmaceutical companies in 2017 (based on sales)]

Rank	Company	Market share ⁶
1st	M3	Approx. 75%
2nd	Company A	Approx. 10%
3rd	Company B	Approx. 10%
4th	Company C	Approx. 5%
5th	Others	Approx. 0-5%
Total		100%
Market share (rank): Approx. 75% (1st)		

(b) Drug Information Providing Platform Operation Business of which users are doctors

The Drug Information Providing Platform Operation Business is positioned as the intermediary between doctors and pharmaceutical companies. As described in Part V-2(iii) above, pharmaceutical companies utilizing the Drug Information Providing platforms emphasize, among others, how many doctors are registered as members, as one of the criteria for selecting the Drug Information Providing Platform Operators. For this reason, the Drug Information Providing Platform Operators would compete each other with the aim of gaining as many as possible members who are the doctors, for example, by providing high-quality and useful information. Thus, the multitude of members who are the doctors would operate as one of key indicators of the competition in the relevant market. In fact, M3 has approx. 85% of the total number of doctors as its members, while the membership percentage of other competitors is merely approximately 30 to 50% in total in relation to the total number of doctors. Thus, M3 has a higher position in the relevant market.

(2) Input Foreclosure

A. Capability to implement input foreclose

The following discusses the probability of any issues with the closure or exclusivity of the market being posed in the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors in the downstream market if Nihon Ultmarc conducting the

⁶ Percentages are presented in increments of 5%, e.g., “approx. 75%” in case of 72.5% or more but below 77.5%. As a result, the total does not necessarily amount to 100.

Medical Information Database Provision Business (upstream market) refuses to provide the competitors of the Parties conducting the Drug Information Providing Platform Operation Business (downstream market) with its medical information databases or provides those competitors with its databases on less favorable terms than the terms of provision to the Parties (hereinafter referred to as “Refusal of Provision, etc.”).⁷

In the Drug Information Providing Platform Operation Business (downstream market), the non-violation of the PMD Act or others is secured by using Nihon Ultmarc’s MDB, and the use of the MDB makes it possible to provide Drug Information to targeted users based on the attributes of individual doctors. As a result, the pharmaceutical companies that are the users of the MDB emphasize alignment of the Drug Information Providing platform with the MDB as one of the criteria for selection of platform providers. In addition, although the Medical Information Database Provision Business is indispensable for the Drug Information Providing Platform Operator to do business, there is no enterprise that can provide a similar level of database as the MDB of Nihon Ultmarc, and there is no enterprise, out of the major Drug Information Providing Platform Operators, that is not provided the MDB by Nihon Ultmarc. For this reason, it is highly likely that Nihon Ultmarc’s Refusal of Provision, etc. against any competitor of the Parties conducting the Drug Information Providing Platform Operation Business will result in a decline in the competitiveness of such competitor or an elimination of such competitor from the Drug Information Providing Platform Operation Business, or will make it difficult for newcomers to enter into the Drug Information Providing Platform Business.

Thus, the Parties have the capability to implement input foreclosure.

B. Incentive to implement input foreclosure

As described in subsection A. above, the Parties have the capability to implement input foreclosure, and will be able to increase their earnings, in particular, as a result of the decline in competitiveness of any competitor of the Parties conducting the Drug Information Providing Platform Operation Business, elimination of such competitors from the Drug Information Providing Platform Operation Business or otherwise.

Thus, the Parties have an incentive to implement input foreclosure.

⁷ Refusal of Provision, etc. causing an issue with the closure or exclusivity of the market is called “input foreclosure.”

(3) Effects of the Parties sharing confidential information of their competitors on the market

When the Drug Information Providing Platform Operators that have transactions with Nihon Ultmarc conduct the Drug Information Providing Platform Operation Business by utilizing the MDB, they share commercial confidential information with Nihon Ultmarc. As a result, if M3 obtains any commercial confidential information of any of its competitors through Nihon Ultmarc and uses such information to its advantage, that competitor may suffer a competitive disadvantage.

For instance, when any Drug Information Providing Platform Operator that competes with the Parties initiates new Drug Information Providing Platform Operation Business by utilizing the MDB, it will be required to inform Nihon Ultmarc of the outline of such new business and obtain a license to use the MDB from Nihon Ultmarc. If M3 obtains such information through Nihon Ultmarc and utilizes it to consider any services that will compete against the new business of such competitor, such competitor would suffer a competitive disadvantage.

Although Nihon Ultmarc enters into a non-disclosure agreement with a Drug Information Providing Platform Operator in providing the MDB, Nihon Ultmarc can amend the terms of that agreement to those terms that are advantageous to the Parties, or M3 can have access to confidential information on other Drug Information Providing Platform Operators through any officer or employee who has been dispatched to Nihon Ultmarc on a secondment basis or concurrently serves as an officer or employee of Nihon Ultmarc and utilize such confidential information to make judgment or decision that would affect competition as parts of the services in the Drug Information Providing Platform Operation Business conducted by M3.

Therefore, if the Parties share confidential information of their competitors, it may pose an issue with the closure or exclusivity of the market.

3. Closure or exclusivity of the market resulting from conglomerate business combination (Medical Information Database Provision Business; Drug Information Providing Platform Operation Business of which users are doctors and pharmaceutical companies)

(1) Position of the Parties and state of competitors

The same as described in section 2(1) above.

(2) Conglomerate market foreclosure

A. Capability to implement conglomerate market foreclosure

Users of the MDB Provision Business of Nihon Ultmarc and the Drug Information Providing Platform Operation Business of the Parties are both pharmaceutical companies.

As described in footnote 3 to Part IV-3 above, when a pharmaceutical company provides Drug Information targeting doctors who meet the certain conditions by utilizing the Drug Information Providing Platform, that pharmaceutical company will give the relevant Drug Information Providing Platform Operator instructions as to the doctors to whom the information should be provided by using the DCF Code given to the MDB. As a result, the Parties would permit the pharmaceutical companies to use MDB in connection with provision of their Drug Information Providing platforms, impose a condition of not permitting the use the Drug Information Providing platforms of other companies on those pharmaceutical companies, or discount the amount of prices for provision of the MDB on condition that those pharmaceutical companies will use the Drug Information Providing platforms of the Parties (hereinafter referred to as “Combined Provision, etc.”).

The following discusses the probability of any issues with the closure or exclusivity of the market being posed in the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors as a result of the Combined Provision, etc. by Nihon Ultmarc conducting the Medical Information Database Provision Business to competitors of the Parties conducting the Drug Information Providing Platform Operation Business.⁸

Given that the MDB are used as the de facto standard in the pharmaceutical industry and no enterprise can provide the same level of databases as the MDB of Nihon Ultmarc, pharmaceutical companies would have no choice but to accept Combined Provision of the Parties, if applicable, as the MDB are indispensable to them. For this reason, it is highly likely that the Drug Information Providing Platform Operators that are in competition with the Parties will be eliminated from the market as a result of Combined Provision, etc.

Therefore, the Parties have the capability to implement conglomerate market foreclosure.

⁸ Combined Provision, etc. posing an issue with the closure and exclusivity of the market is called “conglomerate market foreclosure.”

B. Incentive to implement conglomerate market foreclosure

As described in subsection A. above, the Parties have the capability to implement conglomerate market foreclosure, and will be able to increase their earnings by eliminating their competitors.

Thus, the Parties have an incentive to implement conglomerate market foreclosure.

4. Entry pressure, etc. in the Drug Information Providing Platform Operation Business

No entry pressure has worked on the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors. A pharmaceutical company provides doctors with Drug Information through either of the following manners: (i) “having its MRs provide doctors with Drug Information” or (ii) “providing Drug Information by using the websites operated by itself.” However, the pharmaceutical company can only provide Drug Information chiefly on its own products, which are inconvenient to doctors, and it cannot be considered that either of those manners has given competitive pressure on the Drug Information Providing Platform Operators.

5. Legal assessment based on the Antimonopoly Act

As described above, the conduct of this case may be followed by (i) input foreclosure; (ii) sharing of confidential information; and (iii) conglomerate market foreclosure, which may, in turn, lead to the closure and exclusivity of the market in the Drug Information Providing Platform Business of which users are the pharmaceutical companies/doctors. There is no entry pressure, etc. on the Drug Information Providing Platform Business of which users are the pharmaceutical companies/doctors. Therefore, the conduct of this case would substantially restrain competition in the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors.

Part VIII Proposal of Remedies from the Parties

The JFTC presented to the Parties its finding that as described in Part VII-5 above, the conduct of this case would substantially restrain competition in the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors, and the Parties proposed the following remedies (hereinafter referred to as “Remedies”).

1. Responsive actions for vertical business combination (input foreclosure)

(1) Obligation to continue provision

The Parties will not refuse to provide its competitors (including newcomer enterprises) (hereinafter simply referred to as "Competitors") in the Drug Information Providing Platform Business with its MDB and other databases⁹ for an infinite period of time following the date of the conduct of this case.

(2) Prohibition of discriminatory treatment of the prices for provision of MDB and the trade terms other than the prices for such provision

The Parties will not discriminatorily treat any Competitors in terms of prices for, and details, quality and other trade terms of, MDB to be provided to those Competitors for an infinite period of time following the date of the conduct of this case.

2. Responsive actions for vertical business combination (sharing of confidential information)

The Parties will keep officers and employees of Nihon Ultmarc informed that they shall not disclose non-public information on the business operations of Competitors who have used the MDB and other databases to the officers and employees of M3 (excluding those who are dispatched to Nihon Ultmarc by M3 on a secondment basis and need to get involved with or access the above-mentioned non-public information) for an infinite period of time following the date of the conduct of this case. The Parties will procure a pledge letter from each of those officers and employees in which he or she agrees and acknowledges that should he or she have breached the above, he or she may be subject to disciplinary measures under the Work Rules and other regulations.

In addition, the Parties will take measures to prohibit their officers and employees who do not need to get involved with or access such non-public information from accessing such non-public information.

And, if an officer or employee who has been dispatched to Nihon Ultmarc by M3 concurrently serves as the officer or employee of M3 and is allowed to get involved with or access the above-mentioned non-public information, the Parties will not have him or her engage in the operations of M3 that he or she may affect competition by utilizing the non-public information.

⁹ Refers to the MDBs and their identical or similar types of databases for master data files of medical institutions and healthcare professionals; hereinafter the same applies.

3. Responsive actions for conglomerate business combination (conglomerate market foreclosure)

The Parties will not condition the use of a variety of their services or the non-use of services of other companies in connection with the provision of their MDB and other databases, discount the prices for the MDB and other databases in connection with the provision of the Parties' other services, or fix details, quality and other terms of provision of their MDB and other databases favorably to themselves in connection with the provision of the Parties' other services, all for an infinite period of time following the date of the conduct of this case.

4. Regular reporting, etc.

The legal groups of the Parties will audit the status of compliance with the Remedies once a year for a period of five years after the conduct of this case. The Parties also will submit a report to the JFTC on a regular basis for a period of five years. Whenever the Parties are requested by the JFTC to submit information, the Parties will respond to such request within an unspecified period of time.

Part IX Assessment of the Remedies

1. Responsive actions for vertical business combination (input foreclosure)

The Parties will have the obligations for an infinite period of time to: (i) continue provision of MDB and other databases to their Competitors; and (ii) refrain from discriminatory treatment of their Competitors in terms of the prices and other trade terms for their MDB and other databases. Therefore, it can be assessed that the input foreclosure will be eliminated by the Remedies.

2. Responsive actions for vertical business combination (sharing of confidential information)

The Parties will take responsive actions and measures to prohibit officers and employees of M3 from using non-public information of their Competitors for an infinite period of time following the date of the conduct of this case. Therefore, it can be assessed that the Remedies are appropriate from the standpoint of preventing the Parties from gaining an unduly advantageous position by obtaining non-public information of their Competitors or otherwise.

3. Responsive actions for conglomerate business combination (conglomerate market foreclosure)

The Parties will be prohibited from the Combined Provision, etc. for an infinite period of time following the date of the conduct of this case. Therefore, it can be

assessed that the conglomerate market foreclosure will be eliminated by the Remedies.

4. Regular reporting, etc.

Noting that the Parties will conduct internal audit and submit regular reports to the JFTC for a period of five years, and will respond to the JFTC's request for submission of information within an unspecified period of time, it can be assessed that those responsive actions are appropriate from the standpoint of securing the effectiveness of the Remedies.

5. Summary

As described above, based on the premise that the Parties will implement the Remedies, it can be assessed that no issue with the closure or exclusivity of the market by reason of the conduct of this case would not be posed. As a result, it can be found that the conduct of this case would not substantially restrain competition in the Drug Information Providing Platform Operation Business of which users are the pharmaceutical companies/doctors.

Part X Conclusion

The JFTC concluded, based on the premise that the Parties will implement the Remedies, that the conduct of this case would not substantially restrain competition in any particular fields of trade.

- End -