

# EU blocks merger of US firms in cancer screening sector

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The European Union's anti-trust watchdog announced on Tuesday that it is blocking the buyout of cancer-screening company GRAIL by biotech giant Illumina in a rare move by European regulators against two U.S. companies.

Illumina is a major supplier of next-generation sequencing (NGS) systems for genetic and genomic analysis, while GRAIL is a health company developing blood tests to try to catch cancer early. Illumina announced an \$8 billion acquisition of GRAIL in 2020.

But the European Commission, which polices competition issues, said the buyout "would have enabled and incentivized Illumina to foreclose GRAIL's rivals, who are dependent on Illumina's [technology](#), from access to an essential input they need to develop and market their own tests."

Commission Executive Vice-President Margrethe Vestager said that "it is vital to preserve competition between early cancer detection test developers at this critical stage of development. As Illumina did not put forward remedies that would have solved our concerns, we prohibited the [merger](#)."

The commission said it received feedback from several customers and competitors during its probe of the buyout, but Vestager declined to name any of GRAIL's competitors whose interests might have been hurt.

The commission said market players were concerned that "Illumina would cut access to its NGS technology to GRAIL's [rivals](#), or otherwise disadvantage them, to gain control over the promising early cancer-detection testing market."

Illumina said it intends to appeal the decision, which comes just days after a U.S. Federal Trade Commission judge ruled in favor of its acquisition of GRAIL.

"Illumina can make GRAIL's life-saving multi-cancer early detection test more available, more affordable, and more accessible—saving lives and lowering [healthcare costs](#)," said Charles Dadswell, General Counsel of Illumina.

"We continue to believe, this merger is pro-competitive and will accelerate innovation," he said.

Vestager also said that Illumina appears to have broken EU merger rules by completing the buyout before the commission cleared the move.

"This is unheard of. Companies abide by our rules. They require them to not implement a merger before they have been notified and cleared by the commission," she told reporters in Brussels.

Illumina's actions, Vestager said, have created a "troublesome situation. Illumina now needs to undo the effects of its actions and unwind the acquisition."

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