

on ramps or down stairs, and to walk at a variable cadence; these benefits help prevent falls. IDF 331-39, 345-53. As compared to mechanical knees (*i.e.*, knees that do not contain a microprocessor), studies have shown the use of MPKs to improve the quality of life of amputees who are medically eligible to use them. IDF 372-93.

The acquiring firm, Otto Bock, is considered a pioneer in the development and sale of MPKs and possesses the leading share of U.S. MPK sales. Otto Bock’s current best-selling MPK is the C-Leg 4. In addition to MPKs, Otto Bock also sells mechanical knees and a variety of other lower-limb and upper-limb prosthetics, orthotics, mobility solutions, and medical-related services.

The acquired firm, Freedom, was founded in 2002, and is headquartered in Irvine, California. At its founding, Freedom sold a range of prosthetic foot products. The company released its first MPK, the Plié, in 2007. Freedom was also developing a new MPK, the Quattro, that was intended to improve upon Freedom’s then-current product, the Plié 3. The Quattro’s nickname the —“C-Leg Killer”²— reflected Freedom’s competitive aspirations before the Acquisition.

In October 2016, Otto Bock’s representatives began discussions with Freedom’s CEO and Vice Chairman about acquiring Freedom. After some months elapsed, and at the conclusion of an investment bank-led process by Freedom to solicit interest from other buyers, Otto Bock was the higher bidder and Freedom accepted its offer. On September 22, 2017, Otto Bock acquired Freedom for approximately [REDACTED]. Upon consummation, Freedom became a wholly owned subsidiary of Otto Bock.

Complaint Counsel began an investigation into the Acquisition in September 2017. IDF 14.³ On December 20, 2017, the Commission issued a Complaint that challenged Respondent’s acquisition of Freedom as a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, and Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

CCAB:	Complaint Counsel’s Answering Brief on Appeal
RRB:	Respondent’s Reply Brief on Appeal
RPTB:	Respondent’s Post-Trial Brief
RPTRB:	Respondent’s Post-Trial Reply Brief
RPF:	Respondent’s Proposed Findings of Fact and Conclusions of Law
RRF:	Respondent’s Reply to Complaint Counsel’s Post-Trial Proposed Findings of Fact and Conclusions of Law
PX:	Complaint Counsel’s Exhibit
RX:	Respondent’s Exhibit
JX:	Joint Exhibit
Tr.:	Trial Transcript
IHT:	Investigational Hearing Transcript

² [REDACTED]

³ The transaction was not subject to the premerger notification requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a, and the Commission did not become aware of it until after the acquisition had closed.