



FANGDA PARTNERS
方達律師事務所

Antitrust and Competition



The Preeminent China-based International Law Firm

Founded in 1993 and one of the most prestigious law firms in the region, Fangda Partners has approximately 800 lawyers across our network of offices in Beijing, Shanghai, Hong Kong, Nanjing, Shenzhen and Guangzhou. We offer China and Hong Kong level services to a wide variety of major clients – including large MNCs, global financial institutions, leading Chinese enterprises and fast-growing Hi-tech companies – on an extensive range of commercial matters.

We are the firm of choice for the most challenging transactions and legal issues in many practice areas. Since we were founded, we have acted on some of the largest and most complex corporate and finance transactions in China, the region and globally. We have also assisted our clients with many renowned and complex cases and arbitrations, as well as compliance and government investigations.

Our service to clients is premised on the dual foundations of strong local law capabilities and a global business outlook. Our lawyers are qualified in many jurisdictions, including the People's Republic of China, Hong Kong SAR, England and Wales, the United States, Singapore and Australia.

Our understanding of the laws and processes in major jurisdictions around the world enables us to offer effective legal advice and solutions to our clients on the largest and most complicated cross-border matters in China and elsewhere. Our strengths have been widely recognized by our clients and peers. Chambers has commented on our cross-border capabilities in the following terms – “outstanding quality of its lawyers”, “high level of service that is comparable to international firms”, and “strong global outlook”.



Unrivalled antitrust expertise and experience

Businesses expanding cross-border through mergers or acquisitions encounter a myriad of challenges: trade wars; industrial and security policy considerations; state intervention; and administrative delays. A lack of appropriate countermeasures to these problems would, at best, delay the closing for deals; at worst, cause the deals to stumble.

We support clients by being able to skilfully navigate and manage the interplay between antitrust, economic and political issues to ensure the smooth execution of cross-border M&A transactions.

We are often the go-to legal advisor for clients seeking trusted advice on complex and risky matters. We represented some of the largest corporations and financial institutions on the most contentious and high-profile matters and obtained favourable outcomes. Our track record of successfully helping our clients accomplish these goals is the reason our team is regarded as one of China's standout competition practices.

Awards and recognition



Competition/Antitrust (PRC Firms) - Band 1
Chambers Greater China Region, 2022-2024



GCR100 Chinese Law Firm - Elite
Global Competition Review (GCR) 100, China Jurisdiction, 2018-2024



Competition/Antitrust (PRC Firms) - Band 1
Chambers Asia-Pacific, 2018-2021



Merger Control Matter of the Year – Asia-Pacific, Middle East and Africa: ZF Friedrichshafen/WABCO
Global Competition Review, 2021



Antitrust and Competition: PRC firms - Tier 1
The Legal 500 Asia Pacific-China, 2017-2024



Firm of the Year - China
China Law and Practice, 2018-2020



Competition/Antitrust - Outstanding
Asialaw Profiles, 2018-2024



Competition Firm of the Year - China
China Law and Practice, 2017-2020



Competition/Antitrust Firm of the Year
Legal professional awards, regional awards, Asialaw Profiles, 2021-2023



Competition/Antitrust Firm of the Year
China Business Law Journal, 2019-2021



Our head of antitrust and competition practice, Michael Han, is recognized by Chambers Asia-Pacific as Band 1 for Competition & Antitrust and by Global Competition Review as an elite antitrust and competition legal practitioner in China on its list of Global Elite.

Local depth with a global view

China's antitrust regime has become one of the world's most important enforcement regimes alongside Europe and the United States. Global deals with a China dimension require local expertise with an international perspective.

Our competition practice is one of the largest in China. Our team consists of more than 20 antitrust lawyers across China, including Beijing, Shanghai, Shenzhen and Hong Kong. Before joining Fangda, members of our team practiced competition law in many jurisdictions, including in Belgium, the United Kingdom, the United States and Australia. In addition, we have close working relationships with leading competition practices of other firms across the globe.

Multidisciplinary

We understand that antitrust scrutiny often extends to a wide range of areas. Our multidisciplinary practice helps address challenges and provide solutions to complex legal issues wherever they might arise, including in intellectual property, the digital economy, privacy and data protection, tendering and consumer protection.

Regulatory insight

China's antitrust regime is active but many areas of its practices and procedures remain opaque and unpredictable. Our team is best placed to help businesses understand and navigate different types of challenges under China's antitrust and competition regulations. We have deep-seated relationships with China's regulators. We have worked with China's competition authorities on many complex matters, allowing us to provide clients with exceptional insight.

We are familiar with the mindset, working styles and priorities of the authorities as our team members have gained first-hand experience working within the regulators or as non-governmental advisors appointed by regulators to the International Competition Network.

Our leading antitrust practitioners have helped shape China and Hong Kong's antitrust laws and regulations through their work and their ongoing interactions with legislators and regulators. We are regularly invited by legislators and regulators to comment on the very initial draft regulations and guidelines before they are released for public consultation.



Merger control

We have represented clients on some of the largest and most complex merger control cases.

Our team has a market-leading track record in successfully defending clients in merger control reviews.

As China's merger control reviews can be lengthy and unpredictable, we guide clients to the most optimal outcomes, ensuring their transactions are cleared. This guidance includes advising on the likelihood of intervention by China's competition authority, assessing industrial and political sensitivities, and aligning global deal strategies with China's merger review processes to ensure a consistent approach that is timely and efficient.

Where antitrust remedies are required, we carefully design and negotiate with regulators to reach innovative solutions to address any competition concerns without losing sight of the deal's commercial objectives and incentives in China and globally.

Our track record of success

From 2020 to 2023, we have represented clients in almost half of all remedy decisions reviewed by China's competition authority.



Recent merger control filings we have successfully completed include advising:

- **MaxLinear** on its USD 3.8 billion acquisition of Silicon Motion
- **Emerson Electric** on its USD 8.2 billion acquisition of National Instruments
- **Regal Rexnord** on its USD 4.9 billion acquisition of Altra Industrial Motion
- **Xylem** on its USD 7.5 billion acquisition of Evoqua Water Technologies
- **Tapestry, Inc.** on its USD 8.5 billion acquisition of Capri Holdings Limited
- **China Baowu Steel Group** on its acquisition of Shandong Steel
- **Illinois Tool Works** on its US\$1.7 billion acquisition of **MTS Systems Corporation's** test and simulation business
- **SK hynix** on its US\$9 billion acquisition of the NAND memory and storage business of **Intel**
- **Korea Shipbuilding & Offshore Engineering** on its US\$1.8 billion proposed acquisition of Daewoo Shipbuilding and Marine Engineering
- **Varian Medical Systems, Inc.** on its US\$16.7 billion acquisition by Siemens Healthineers AG
- **TCL Technology** on its acquisition of Samsung's display business in China
- **Marvell Technology Group Ltd.** on its acquisition of shares of Inphi Corporation
- **WABCO Holding** on its US\$7.2 billion acquisition by ZF Friedrichshafen AG
- Both parties on **Cargotec Oyj's** merger with **Konecranes Plc**
- **Infineon** on its US\$10 billion acquisition of Cypress Semiconductor Corporation
- **Danaher** on its US\$21 billion acquisition of GE Healthcare Life Sciences' Biopharma Business
- **Novelis** on its US\$2.6 billion acquisition of Aleris
- Both parties on **Disney's** US\$71 billion acquisition of **21st Century Fox**
- **Boeing** on its US\$4.2 billion acquisition of Embraer
- **Cargotec** on its €87 million acquisition of the marine and offshore business
- **Linde** on its €66 billion merger with Praxair
- **Rockwell Collins** on its US\$30 billion acquisition of United Technology
- **Becton, Dickinson and Company** on its US\$24 billion merger with C.R. Bard
- **Broadcom** in a proposed hostile takeover of Qualcomm, valued at US\$117 billion
- **DuPont** on its US\$120 billion merger with Dow Chemical Company, recognized by SAMR as one of the "Top 10 Most Influential Cases During 10 Years of China Antitrust Enforcement"
- **AB InBev** on its US\$104 billion acquisition of SABMiller
- **Broadcom** on its proposed US\$117 billion acquisition of Qualcomm



The deal: We represented MaxLinear on the China merger control proceedings of its USD 3.8 billion acquisition of Silicon Motion.

The challenges: While this concerns a purely conglomerate merger transaction, China's competition authority scrutinized the transaction due to concerns arising from stability of Silicon Motion's supply of products to downstream customers post-transaction given Silicon Motion's market power in the NAND flash host controller chip market.

The outcome: Notwithstanding significant challenges arising from global trade tensions in this case, we successfully convinced the competition authority to approve the transaction and to apply only behavioral remedies to address security of supply concerns.



The deal: We represented Illinois Tool Works on the China merger control proceedings of its USD 1.7 billion acquisition of MTS Systems Corporation's test and simulation business.

The challenges: The parties competed in the supply of electro-hydraulic servo material testing equipment. As a result of their leading positions and closeness of competition, China's competition authority considered the merged entity to give rise to "dominance" and therefore eliminate competition and weaken the bargaining power of customers.

The outcome: Despite the significant challenges of the highly concentrated markets, we successfully convinced the authority to only impose behavioural remedies instead of a structural divestment to alleviate its concerns.



The deal: We represented SK hynix on the Chinese merger filing of its US\$9 billion acquisition of Intel's NAND and SSD storage business. This was a high-profile global transaction in the semiconductor sector that required clearance in a number of jurisdictions, including China, Europe, and the United States.

The challenges: The semiconductor space has been an antitrust enforcement priority for a number of years. Many sensitivities need to be addressed, including concerns by a range of stakeholders to maintain the competitiveness of China's semiconductor production and supply. The market in this case was characterized as highly concentrated with significant entry barriers. China's competition authority challenged the transaction in light of the leading market position of the parties and their ability to coordinate prices.

The outcome: We developed a targeted strategy to preempt and alleviate concerns by the authority and a range of stakeholders. We developed a remedy package involving multiple rounds of negotiations that ultimately led to clearance, which included a novel commitment of helping facilitate entry of Chinese competitors.

**SAMSUNG**

The deal: We represented TCL Technology in its strategic acquisition of the Samsung's display business in China

The challenges: The transaction represents the largest strategic acquisition in the display industry in 2020. Fangda led the multi-jurisdictional merger control filings. We assisted the parties to assess the notifiability of the transaction across more than 20 key jurisdictions and coordinated all necessary antitrust filing work assessment with filings with the relevant competition authorities in China, Europe and Southeast Asia.

The outcome: As global counsel, we assisted the parties to obtain all necessary merger clearances within a short period of time.

**WABCO**

The deal: We represented Wabco Holdings on its US\$7 billion sale to ZF Friedrichshafen AG in China.

The challenges: The transaction represented a merger of two global suppliers of advanced automotive technology products. A total of 13 product markets were explored. The competition authority to raised competition issues in the markets for medium and heavy commercial vehicles and was particularly concerned about Wabco's competitive edge in the supply of controllers, which represent an important input to downstream customers.

The outcome: The transaction was cleared within nine months from submission – a very fast timeframe for a complex transaction raising concerns in China. To achieve that timeframe, our team developed targeted remedies requiring the parties to pledge to continue to supply key products to the Chinese market on fair, reasonable and non-discriminatory terms.



The deal: We represented Danaher Corporation in respect of its USD 21.4 billion acquisition of GE Life Sciences biopharma business.

The challenges: The transaction involved 26 overlapping product markets and had a challenging closing timeline. China's competition authority raised extensive questions on the products of both parties and raised additional China-specific concerns during the review.

The outcome: We obtained conditional clearance after successfully proposing a structural divestment, which included obtaining buyer approval ahead of the closing timeline of the divestiture transaction required in the United States.

Investigations and enforcement

Antitrust and cartel fines have increased. Enforcement actions have continued to multiply in the last decade. Our clients come to us to defend their interests in the face of large-scale and complex investigations and court actions.

We support clients in assessing investigation risks and determine strategies to deal with those risks, including preparing defences and responses in many large-scale antitrust investigations. We advise on and manage leniency applications, settlement strategies, dawn raid responses, and large-scale document reviews and requests.

We have acted in a number of large-scale litigation. Many cases involve multiple jurisdictions that require a global vision and close collaboration with outbound lawyers, but also require sound economic expertise and first-class dispute resolution skills. In addition to working closely with established global economic consultancies, we often act in conjunction with our dispute resolution team which comprises hundreds of cross-disciplinary specialists in order to provide seamless and quality antitrust litigation legal services to our clients.



Recent antitrust investigations we have successfully handled on behalf of our clients include advising:

- **Deliveroo**, a well-known online food delivery platform, in an antitrust investigation by the Hong Kong Competition Commission in relation to exclusive arrangements and price restriction practices and facilitated a settlement with the agency
- **Alibaba Group, Ant Group, 58 Group, and private equity funds** in investigations into failure to notify previous transactions under the merger control regime
- **Eastman Chemical Company** in an investigation into abuse of dominance and resale price maintenance
- **Singamas** in an investigation into a cartel of yard fees
- **Three state-owned port groups (Tianjin Port, Dalian Port and Yantian Port)** in abuse of dominance investigations
- **Chrysler and Daimler** in a resale price maintenance investigation
- **Chang'an Ford** in an administrative investigation into resale price maintenance
- **Medtronic** in a resale price maintenance investigation
- **Höegh Autoliners** against price fixing claims in the roll-on, roll-off cargo industry
- **GN Audio** (a global producer of headset and conference equipment) in handling a local PRC investigation into resale price maintenance and helped the client achieve a significantly reduced fine
- **A multinational cosmetics company** in an investigation initiated by Shanghai AMR and assisted the company to resolve the matter without any penalty imposed
- **Two of the five global leading automobile manufacturers** in an informal investigation into vertical restraints by the SAMR
- **A leading global consumer electronics company** in an antitrust investigation by the Shanghai AMR in relation to abuse of dominance
- **An international medical devices company** in an investigation of Beijing AMR
- **A multinational and well-known automobile company** in responding to an investigation initiated by Jiangsu AMR
- **A global biotech company** in an administrative investigation into excessive pricing behaviors
- **A global record label** in a gun-jumping investigation against a transaction with another Internet music company
- **A world-leading pharmaceutical enterprise** in responding to an investigation initiated by Zhejiang AMR
- **An international automotive manufacturer** in an investigation into suspected collusion regarding emission control systems

Recent representations of our clients in antitrust litigation include:

- **Bytedance** in an abuse of dominance suit against Tencent
- **A leading global chemical company** in an antitrust action against it in relation to abuse of dominance
- **A multinational chemical company** in an antitrust action against it in relation to abuse of dominance and won the lawsuit
- **A multinational medical device company** in an antitrust action brought against it by its distributors
- **A leading e-commerce company** in advising its litigation strategy in an antitrust action in relation to abuse of dominance
- **A large multinational consumer products company** in an antitrust action in relation to resale price maintenance
- **Viscas** in a subsequent damages lawsuit brought by a Chinese state-owned enterprise against it for cartel conduct and secured the withdrawal of the case by the plaintiff
- **VM Ware**, an American technology firm, in a lawsuit brought by a distributor alleging abuse of dominant position
- **InterDigital** in a series of antitrust actions concerning the licensing practices of its patent portfolio, which contained patents considered essential for certain telecommunications industry standards, and finally took the case to the Supreme People's Court
- **A well-known domestic mobile phone manufacturer** in an antitrust lawsuit against an international patent licensing company
- **A leading Chinese computer manufacturer** in an antitrust dispute over abuse of intellectual property rights
- **A leading technology company** in an antitrust case concerning MFi certification initiated by a Chinese digital accessories company before the Beijing IP Court
- **An international medical device company** in an antitrust case related to resale price maintenance
- **A Taiwanese company** in defending against a follow-on damages action initiated by Chinese customers after a cartel investigation
- **A multinational company** in an IP/antitrust litigation that was part of a global antitrust litigation. We helped the client reach a favorable settlement
- **A multinational company** in defending against ongoing antitrust claims filed by Chinese companies
- **A global communications technology company** in a dispute over alleged abuse of market dominance relating to restrictive provisions in intellectual property license agreements
- **An electrical equipment manufacturing company** in a dispute with a global energy company over alleged abuse of market dominance concerning restrictive provisions in supply agreements
- **A multinational chemicals company** raising an antitrust claim for abuse of market dominance against a U.S.- based petrochemical company concerning restrictive provisions in supply agreements



The case: We represented **Deliveroo**, a well-known online food delivery platform in Hong Kong, in an antitrust investigation conducted by the Hong Kong Competition Commission (the **HKCC**) in relation to exclusive dealing and price restrictions. The HKCC was concerned that certain requirements in the service agreements offered by Deliveroo and another online food delivery platform (foodpanda) to the restaurants listed on their platforms might have contravened the Competition Ordinance by obstructing new entrants or smaller players from entering and expanding their business, which would lessen competition in the market.

The challenges: This case stands out as a prominent instance of the relatively young HKCC taking an assertive stance in regulating and challenging large digital platforms. The case involved complex economic analyses and discussions of issues surrounding applicability of legal standards. We efficiently assisted the client in all aspects of the case, such as collecting and organizing a large amount of information, preparing responses to multiple rounds of information requests from the HKCC, formulating detailed explanations to the HKCC regarding the rationale of the commercial arrangements being questioned and establishing vigorous defense arguments to the HKCC. We also represented the client in the settlement negotiations with the HKCC, including the specific terms and scope of the commitment, while safeguarding the client's commercial interests to the largest extent throughout the process.

The outcome: We assisted our client in overcoming all challenges along the way and ultimately achieved a settlement with the HKCC, resulting in the HKCC ceasing its investigation and dropping other potential legal proceedings without any penalties imposed on our client.



The case: We represented one of **the world's leading industrial gas companies** in an abuse of dominance action brought by its customers which involved abusive conduct such as imposing exclusive trading requirements, unreasonable trading conditions and tying.

The challenges: In light of the dynamics of the case and the large number of customers involved which may trigger a domino effect, we opted for and tailored a progressive litigation strategy for the client. At the case level, we collected in-depth information about the industry, the market and the competitive landscape and defined a more appropriate relevant market while refuting the plaintiff's claims. We also exerted significant effort in explaining the industry to the court to assist its assessment of the facts, which ultimately yielded favourable results for the client.

The outcome: We successfully defended our client and won the lawsuit at the first instance.



The case: We defended **Eastman Chemical Company** against allegations of abuse of dominance regarding its exclusivity arrangements.

The challenges: The case opened with a dawn raid and ultimately led to the review of contractual measures including most-favored nation clauses, minimum purchase requirements and loyalty rebate schemes.

The outcome: Our team helped our client to prepare a large amount of RFI responses from the beginning of the dawn raid to the end of the investigation, and worked closely with renowned economists to prepare a robust defense that ultimately resulted in heavily reduced fines.



The case: We represented **Chang'an Ford** in a resale price maintenance antitrust investigation by China's competition authority.

The challenges: The investigation involved multiple rounds of document production. During the case the antitrust functions of the three antitrust agencies were merged. The long-term and wide-scope investigation brought about challenges in terms of intensive document preparation and formulating strategies on both substantive and procedure issues in response to the change of the circumstances.

The outcome: We successfully assisted the company achieves significantly reduced administrative penalties.

Compliance and advisory

Our goal is to always enable commercial outcomes within appropriate risk tolerances. We provide strategic antitrust advice on pricing, distribution, licensing and supply agreements between competitors, suppliers and distributors. We also conduct full-scale competition law compliance audits to identify issues and prepare suitable strategies to mitigate risks without undermining the commercial objectives of the business.

We believe in building a culture of compliance to mitigate antitrust risk. We help our clients achieve and maintain robust and effective compliance policies and cultures. We design and implement comprehensive internal compliance programs that are tailored to their business, consistent with international standards, and aligned with the expectations of China's regulators. This includes customized training programs and compliance guidelines for senior management and key personnel.

Our recent antitrust compliance advisory work includes advising:

- **A number of clients in the semiconductor, chemical and high-tech industries** on antitrust compliance advice and recommendations regarding exclusive procuring, pay-as-you-go, technology licensing and vertical restraints on distributors
- **A number of medical companies** in identifying and assessing antitrust risks and establishing compliance programs
- **A number of multinational automobile companies** in adjusting their sales models and providing advice on their supply and distribution arrangements
- **A number of leading digital companies** on antitrust and competition compliance issues concerning exclusivity and licensing arrangements (including in the context of abuse of dominance)
- **A number of well-known FMCG companies** in conducting antitrust compliance assessment and developing an antitrust compliance regime
- **A number of global and Chinese airline companies** in assessing the risk of their business cooperation with other airline companies
- **A number of multinational companies** in analyzing non-compete arrangements with joint ventures and joint venture partners
- **Multiple Fortune 500 clients** in conducting antitrust audits, making risk assessment and proposing mitigation measures

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