



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF 100% SHAREHOLDING IN
M/S. CAREMERGE, INC BY M/S. VOICEFRIEND, LLC**

CASE: 1289/Merger-CCP/22

Commission

Ms. Rahat Kaunain Hassan
Chairperson



M. Mujtaba Ahmad Lodhi
Member

ML

ORDER

1. On May 23, 2022 the Competition Commission of Pakistan ("Commission") received a pre-merger application ("Application") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("Act") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("Merger Regulations") from M/s. VoiceFriend, LLC ("Acquirer" or "Applicant") whereby the Acquirer intends to acquire ...% shareholding in M/s. CareMerge, Inc., ("Target"). All requisite information/ documentation pertaining to the Application was completed on June 22, 2022.
2. The Commission has examined the Application as well as all the documents attached therewith, the information provided by the undertakings concerned and the market. The Phase I competition assessment of the intended transaction has resulted in the following facts:
 - i. The concerned undertakings are:
 - a. Acquirer: Provides a communication platform for organizations that provide healthcare for seniors in the United States.
 - b. Target: Develops healthcare software for older adults and related services. The Target has a % owned subsidiary in Pakistan, M/s. CareAxiom (Private) Limited ("CareAxiom") which develops healthcare software for older adults and related services, exclusively for the Target.
 - ii. The proposed transaction involves the Acquirer purchasing ...% shareholding of the Target from its existing shareholders which will result in change of control of the Target. The value of the Proposed Transaction is estimated to be US\$1,000,000 (equivalent to PKR : /- as at 23-5-2022). The transaction will take place outside Pakistan as both, the Acquirer and the Target are located in the United States of America.
 - iii. The relevant product market in this case is identified as "**Communication and Healthcare Software**". To the extent of Pakistan, the Acquirer is not present in Pakistan, whereas the Target only has presence in Pakistan through CareAxiom. Since the software is exported by CareAxiom to the Target, the Target entity or CareAxiom have no sales in Pakistan resulting in nil market share. Post-transaction, market conditions will remain unchanged. The acquisition will lead to a change of control of CareAxiom.
3. Ancillary restrictions have been reported with this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations, 2020. This order is without prejudice to any such requirements.
4. In conclusion, the intended transaction, does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Act. The proposed transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
5. It is so ordered.



JUNE 24th, 2022.

(Mr. Mujtaba Ahmad Lodhi)
Member