

Market sizes, market shares and Herfindahl-Hirschman indices

- Tables 1 to 4 show market sizes and market shares over the last five years, and cumulative market sizes and market shares over the last three years and five years to 2003. Tables 5 to 8 show the pre-merger and post-merger Herfindahl-Hirschman indices (HHI) in each of the relevant markets, based on 2003 shares, and on cumulative shares over the last three years and five years to 2003. The HHI is defined as the sum of squares of all market shares in the market. It is generally considered that HHIs above 1,800 indicate a high degree of concentration and that in such highly concentrated markets a merger which increases the HHI by more than 50 may give rise to competition concerns.¹
- These tables were compiled using sales data provided to us by Dräger, Air-Shields, Ohmeda and Fisher & Paykel. For those suppliers which did not provide us with their sales data, ie Atom and other phototherapy suppliers, we relied on the parties' estimates of their sales. Note that, whenever Dräger's and Air-Shields' estimates of these sales differed, we used the higher estimate of the two. Also note that sales of hybrid incubators were included as part of the closed care market here.

TABLE 1 **Closed care incubators: market size and shares**

Supplier	1999	2000	2001	2002	2003	Cumul 3 years (01-03)	Cumul 5 years (99-03)	
Air-Shields	())))	45-50	45-50	
Dräger						30-35	35-40	
Ohmeda						✂	10-15	10-15
Atom						0-5	0-5	
Total market size (£'000)						[✂]	[✂]	

Source: CC, based on material supplied by the parties and by third parties.

TABLE 2 **Open care warmers: market size and shares**

Suppliers	1999	2000	2001	2002	2003	Cumul 3 years (01-03)	Cumul 5 years (99-03)	
Air-Shields	())))	55-60	50-55	
Fisher & Paykel						20-25	20-25	
Dräger						✂	15-20	20-25
Ohmeda						0-5	0-5	
Total market size (£'000)						[✂]	[✂]	

Source: CC, based on material supplied by the parties and by third parties.

¹See *Merger References: Competition Commission Guidelines (CC2)*, paragraph 3.10.

TABLE 3 Transport incubators: market size and shares

Suppliers	1999	2000	2001	2002	2003	Cumul 3 years (01-03)	Cumul 5 years (99-03)
Air-Shields	[✂]	70-75	60-65
Dräger						25-30	30-35
Ohmeda						0-5	0-5
Total market size (£'000)						[✂]	[✂]

Source: CC, based on material supplied by the parties and by third parties.

TABLE 4 Phototherapy: market size and shares

Suppliers	1999	2000	2001	2002	2003	Cumul 3 years (01-03)	Cumul 5 years (99-03)
Ohmeda	[✂]	40-45	35-40
Dräger						30-35	35-40
Air-Shields						10-15	10-15
Others						15-20	10-15
Total market size (£'000)						[✂]	[✂]

Source: CC, based on material supplied by the parties and by third parties.

TABLE 5 Closed care incubators: HHI

	Pre-merger	Post-merger	Increment
2003	3,664	4,881	1,217
Cumul 3 years	3,531	6,582	3,051
Cumul 5 years	3,945	7,657	3,712

Source: CC, based on material supplied by the parties and by third parties.

TABLE 6 Open care warmers: HHIs

	Pre-merger	Post-merger	Increment
2003	4,750	6,432	1,682
Cumul 3 years	4,225	6,428	2,203
Cumul 5 years	3,840	6,073	2,233

Source: CC, based on material supplied by the parties and by third parties.

TABLE 7 Transport incubators: HHIs

	Pre-merger	Post-merger	Increment
2003	6,434	10,000	3,566
Cumul 3 years	5,992	9,719	3,727
Cumul 5 years	5,207	9,471	4,264

Source: CC, based on material supplied by the parties and by third parties.

TABLE 8 **Phototherapy: HHIs**

	<i>Pre-merger</i>	<i>Post-merger</i>	<i>Increment</i>
2003	3,623	3,821	198
Cumul 3 years	2,991	3,766	775
Cumul 5 years	3,072	4,093	1,021

Source: CC, based on material supplied by the parties and by third parties.
