Weekly Media Statement
For immediate release
25 October 2017

LATEST DECISIONS BY THE COMPETITION COMMISSION

1. Key decisions on mergers and acquisitions

1.1 Louis Dreyfus Company Africa (Pty) Ltd v AM Alberts (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be prohibited.

The primary acquiring firm is Holdco, a company owned by a consortium comprising of Louis Dreyfus Company Africa (Pty) Ltd (LDCA) and DH Brothers Industries (Pty) Ltd t/a Willowton (Willowton) (Consortium). LDCA is a global trader of commodities and a processor of agricultural goods. The key commodities traded by LDCA are wheat, white maize, beans, rice, edible oils, oilseeds (sunflower and soya) and sugar. Willowton is owned by five (5) shareholders, none of which exercise control over Willowton. Willowton, a sunflower seed crusher and refiner, sells fast moving consumer goods including edible oils, products derived from edible oils, soaps, candles, beauty products and toiletries. It sells its products under brands such as Sunfoil, Sunshine D, D'lite, Crown, Nuvolite and Allsome.

AM Alberts, trading as Progress Milling, is involved in the milling of white maize and the sale of maize meal. Progress Milling operates a maize mill outside of Polokwane. It also owns depots throughout Limpopo. Most of the maize meal produced at the mill is sold in Limpopo and marketed under Progress Milling's major brand names. Progress Milling also supplies maize meal, maize samp and beans, parboiled rice, maize rice, brown and white sugar, white beans, flour at its depots.

The Commission found that in addition to the pre-existing structural link between LDCA and Willowton (through Allsome Brands) in the market for the cleaning and packaging of rice, LDCA and Willowton (through Epko Oil) are also competitors in the market for the crushing of sunflower seeds pre-merger.

The Commission further found that the proposed transaction introduces another link between LDCA and Willowton in the white maize market in that LDCA and Willowton will become co-shareholders in the white maize market, wherein Willowton is currently not active. This market is adjacent to other markets wherein the merging parties hold multiple shareholding interests and cross-directorships. The Commission further found that the proposed transaction would create a structural link between two competitors for white maize in Limpopo, namely, Progress Milling and NTK.

The Commission is concerned that the proposed transaction will enhance and facilitate coordination because both parties will have the ability to appoint directors to the board of Holdco post-merger. LDCA and Willowton (through Epko Oil), being competitors in the market for sunflower seed crushing, will post-merger have board representation in Holdco thereby having an opportunity to interact in a manner which is likely to make the exchange of competitively sensitive information relating to the sunflower seed crushing market and other adjacent markets, such as white maize, more plausible.

The Commission is therefore concerned that the acquisition of Progress Milling is likely to be a platform for information exchange to the detriment of competition in the sunflower seed crushing and white maize markets. The Commission notes that the structure of the white maize and sunflower seed crushing markets are conducive to collusive conduct because they are characterised by high levels of concentration with few key players, a high degree of product homogeneity, high barriers to entry and high transparency supported by extensive multi-market contact.

Further, the Commission is currently investigating a cartel in the market for refined, edible cooking oils, baking fats and margarine, which is in the same sunflower seed value chain. The Commission is of the view the new link between LDCA and Willowton presented by the proposed transaction is likely to facilitate and enhance collusion not only in the sunflower seed crushing market but also the white maize market, which in itself has a history of collusion. The Commission cannot rule out the ability of the proposed transaction to enhance and facilitate collusion in other adjacent markets such as the white maize milling market, due to the high risk of information sharing presented by the merging parties' multiple cross directorships and shareholding across the grain milling markets.

Although, the target firm is in business rescue the public interest concerns that arise from the proposed transaction do not outweigh the competition concerns which will create a more permanent anticompetitive structure in the affected markets.

In addition, the remedies offered by the merging parties are not sufficient to address the identified harm which will arise from this transaction. For this reason, the Commission prohibits the proposed transaction.

1.2 K2014202010 (Pty) Ltd (Holdco) v Noordfed (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be prohibited.

The primary acquiring firm is Holdco, a company owned by a Consortium comprising of Louis Dreyfus Company Africa (Pty) Ltd (LDCA) and DH Brothers Industries (Pty) Ltd t/a Willowton (Willowton) (Consortium). LDCA is a global trader of commodities and a processor of agricultural goods. The key commodities traded by LDCA are white maize, wheat, beans, rice, edible oils, oilseeds (sunflower and soya) and sugar.

Willowton is one of the South African sunflower seed crusher and refiners. It sells a wide range of fast moving consumer goods including edible oils, products derived from edible oils, soaps, candles, beauty products and toiletries.

Noordfed is involved in the milling of white maize and the sale of maize meal products including maize meal, hominy chop, white maize rice and white maize samp. Noordfed owns and operates a maize mill in Lichtenburg in the North West. It distributes its products in the North West, Gauteng and KwaZulu-Natal. However, the majority of its products are supplied in the North West and KwaZulu-Natal.

The Commission found that in addition to the pre-existing structural link between LDCA and Willowton (through Allsome Brands) in the market for the cleaning and packaging of rice, LDCA and Willowton (through Epko Oil) are also competitors in the market for the crushing of sunflower seeds pre-merger.

The Commission also found that the proposed transaction introduces another link between LDCA and Willowton in the white maize market in that LDCA and Willowton will become co-shareholders in the wheat market, wherein Willowton is currently not active. This market is adjacent to other markets wherein the merging parties hold multiple shareholding interests and cross-directorships.

The Commission is concerned that the proposed transaction will enhance and facilitate coordination because both parties will have the ability to appoint directors to the board of Holdco post-merger. LDCA and Willowton (through Epko Oil), being competitors in the market for sunflower seed crushing, will post-merger have board representation in Holdco, thereby having an opportunity to interact in a manner which is likely to make the exchange of competitively sensitive information relating to the sunflower seed crushing market and other adjacent markets more plausible.

The Commission is therefore concerned that the acquisition of Noordfed is likely to be a platform for information exchange to the detriment of competition in the sunflower seed crushing market and other adjacent markets, such as white maize. The Commission notes that the structure of the white maize and sunflower seed crushing markets are conducive to collusive conduct because they are characterised by high levels of concentration with few key players, a high degree of product homogeneity, high barriers to entry and high transparency supported by extensive multi-market contact.

Further, the Commission is currently investigating a cartel in the market for refined, edible cooking oils, baking fats and margarine, which is in the same sunflower seed value chain. The Commission is of the view the new link between LDCA and Willowton presented by the proposed transaction is likely to facilitate and enhance collusion not only in the sunflower seed crushing market but also the white maize market, which in itself has a history of collusion.

The Commission cannot rule out the ability of the proposed transaction to enhance and facilitate collusion in other adjacent markets such as the white maize milling market, due to the high risk of information sharing presented by the merging parties' multiple cross directorships and shareholding across the grain milling markets.

In addition, the remedies offered by the merging parties are not sufficient to address the identified harm which will arise from this transaction. For this reason, the Commission prohibits the proposed transaction.

1.3 Netcare Hospitals Group (Pty) Ltd v The Akeso Group

The Commission has recommended to the Tribunal that the proposed merger be prohibited, whereby Netcare Hospital Group (Pty) Ltd and Netcare Property Holdings (Pty) Ltd, collectively referred to as Netcare, intends to acquire the Akeso Group and certain immovable properties, collectively referred to as Akeso.

The primary acquiring firm, Netcare, operates a private hospital network in South Africa and the United Kingdom. In South Africa, Netcare is active in operating a primary care network and medical emergency services.

Akeso is a group of in-patient clinics that provides individual, integrated and family orientated treatment for a range of mental health, psychological and addictive conditions. The Akeso Groups mental health hospitals are located throughout South Africa.

The Commission found that the proposed merger will result in significant combined market shares in the provision of mental healthcare services in a local market in Gauteng, with the merged entity likely to exercise market power. Netcare will have the highest number of mental healthcare beds post-merger and will likely be in a strong position to increase tariffs. Patients will have limited alternative mental health care hospitals The Commission is of the view that other hospitals within the local market are small independent hospitals who are unlikely to place a competitive constrain on Netcare. Moreso, given that Netcare does not currently operate an own standalone mental healthcare facility, it will likely create its own new tariff file in respect of standalone mental health facilities and prices for mental healthcare services are likely to increase as a result because Netcare generally charges higher hospital tariffs when compared to other independent hospitals. Although Netcare and Akeso possess different practice codes and hence differences in their tariff structures, Netcare has the ability to increase Akeso's existing tariffs post-merger. Third parties engaged also suggested the same will likely happen as a result of the proposed merger.

In addition, because the proposed transaction results in a significant change in market structure in a local market in Gauteng as Netcare will now have footprint in areas that it currently did not operate before the merger, this will likely confer bargaining power to Netcare against medical aid schemes during tariff negotiations. Furthermore, the Commission is of the view that given there is a small number of independent hospitals in the local market and the fact that these hospitals possess relatively small number of mental hospital beds, it is likely that Netcare will acquire a competitive advantage in terms of obtaining Designated Service Provider (DSP) and other network arrangements to the detriment competition against these smaller rivals.

There were no workable remedies that were submitted which can alleviate the competition concerns arising from the proposed merger. The Commission therefore recommended the prohibition of the proposed merger.

1.4 Multi-Color Corporation v Global Labels Business of Constantia Flexibles Group GMBH

The Commission has approved the proposed merger, without conditions, whereby Multi-Colour Corporation (MCC) intends to acquire the global labels business of Constantia Flexibles Group GmbH (Austria) (the CFlex Labels Business).

MCC provides label solutions supporting a number of the world's most prominent brands including leading producers of home and personal care, wine and spirits, food and beverage, healthcare and specialty consumer products. MCC serves international brand owners in North, Central and South America, Europe, China, Southeast Asia, Australia, New Zealand and South Africa with a comprehensive range of the latest label technologies in applied labels such as Pressure Sensitive, Glue-Applied (Cut-Stack), Shrink Sleeve and Heat Transfer as well as in In-Mould labels (IML) for blow moulding. In South Africa, MCC is a manufacturer of self-adhesive labels for wine and spirits companies as well as a provider of labels for the fast-moving consumer goods marketplace.

The primary target firm is the global labels business of Constantia Flexibles Group GmbH (Austria), the CFlex Labels Business. CFlex Label's products are used by industries such as food, dairy, pet food, house hold and personal care products, pharmaceutical and medical products, as well as beverages. The CFlex labels business offers applied labels such as pressure sensitive labels (PSL), paper, aluminium and film as well as IML labels for the injection moulding process.

The proposed merger is unlikely to result in a substantial lessening of competition. In addition, the Commission finds that the proposed transaction does not raise any public interest concerns.

1.5 MIH eCommerce Holdings (Pty) Ltd v Car Trader (Pty) Ltd t/a AutoTrader

The Commission has recommended to the Tribunal that the proposed merger be approved, without conditions, whereby MIH eCommerce Holdings Proprietary Limited (MIH eCommerce) intends to acquire Car Trader (Pty) Ltd t/a AutoTrader (AutoTrader).

MIH eCommerce is directly wholly controlled by MIH Holdings Proprietary Limited (MIH Holdings), which is in turn a wholly-owned subsidiary of Naspers Limited (Naspers). MIH eCommerce is the holding company of all Naspers' ecommerce interest in South Africa (excluding certain divisions of Media24). Relevant to the proposed transaction are the activities of MIH eCommerce, through OLX. OLX functions as a classified advertising platform, connecting buyers and sellers of goods and services through the publication of individual product advertisements (classifieds) on its online platform.

AutoTrader is a specialised classified advertiser that provides online and print advertising services to buyers and sellers of vehicles and associated products and services. AutoTrader, as an online advertising portal, operates as a “vertical” classified portal as it offers only advertising of vehicles (and ancillary products and services) for sale on its online platform.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in the market for the provision of online automotive classified advertising services. In addition, the proposed transaction does not raise any public interest concerns.

1.6 Libstar Operations (Pty) Ltd v Sonnendal Dairies (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be approved, with conditions, whereby Libstar Operations (Pty) Ltd (Libstar) intends to acquire Sonnendal Dairies (Pty) Ltd (Sonnendal) from Sontic Holdings Western Cape (Pty) Ltd (Sontic).

Libstar is a holding company, with interests in firms that manufacture, import and distribute fast moving consumer goods in the food and beverage, household and personal care segments of the market. The Libstar Group focuses on supplying the food service industry, private label segments of larger retailers, and on the manufacturing of products for brand owners as well as branded products.

Sonnendal is a manufacturer and distributor of dairy and related products in South Africa. In addition to dairy products, Sonnendal manufactures and distributes fruit juice products. Sonnendal manufactures yoghurt, milk and fruit juices for Pick ‘n Pay’s house brand.

Following its investigation into the proposed transaction, the Commission found a restraint of trade in the Sale of Business Agreement. The Commission is of the view that the Territory of the restraint of clause is unreasonable in that it restricts Sonnendal from competing nationally. The Commission is of the view that if left in its current form, it is likely to substantially prevent or lessen competition. The Commission therefore confines the Territory to the Western Cape Province. The Commission approves the proposed transaction subject to this condition.

1.7 The Spar Group Ltd v Grandiway (Pty) Ltd, in respect of the business known as Gelvandale SuperSpar and Tops

The Commission has approved the proposed merger, without conditions, whereby the Spar Group Limited (Spar Group) intends to acquire the business known as Gelvandale SuperSpar and Tops which is owned by Grandiway (Pty) Ltd (Grandiway).

The Spar Group conducts wholesaling operations throughout South Africa. It acquires goods and sells those goods to the Spar Guild members. The Spar Group operates distribution centres which are strategically located throughout the major metropolitans in South Africa. The Spar distribution centres warehouse and distribute dry goods, perishable goods, liquor, general merchandise and personal care goods to the Spar Guild stores.

Gelvandale SuperSpar is a supermarket that retails Fast-Moving Consumer Goods ("FMCGs") which include food, groceries, health and beauty goods, household cleaning products, pet foods and general merchandise products. Gelvandale Tops is a liquor business that retails beer, spirit, wine, spirit cooler, liqueurs and aperitifs, cigarette, general merchandise products and airtime.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in any market. In addition, the proposed transaction does not raise any public interest concerns.

1.8 Main Street 1522 (Pty) Ltd and Main Street 1523 (Pty) Ltd v Ahead Trading (Pty) Ltd and Six Sense Marketing (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be approved, without conditions, whereby Main Street 1522 (Pty) Ltd (Main Street 1522) and Main Street 1523 (Main Street 1523) intends to acquire Ahead Trading (Pty) Ltd (Ahead Trading) and Six Sense Marketing (Pty) Ltd (Six Sense).

Main Street and Main Street 1523 are private companies controlled by Main Street 1533 (Pty) Ltd (Main Street 1533) which is, in turn, controlled by Main Street 1534 (Pty) Ltd (Main Street 1534). Main Street 1534 is controlled by Sanlam Life Insurance Limited, which is controlled by Sanlam Limited. Main Street 1522, 1523, 1533 and 1534 were all created for purposes of the proposed transaction and do not have any business activities.

Ahead Trading and Six Sense Marketing are owned by Henchick Holdings (Pty) Ltd, which is controlled by the Ezibelani Trust, a family trust which does not conduct any business activities. Henchick Holdings is a holding company which holds interests in entities including Ahead Trading and Six Sense Marketing.

The proposed transaction is unlikely to substantially prevent or lessen competition in any of the affected markets. Further, the Commission is of the view that the proposed transaction is unlikely to raise any public interest concerns.

1.9 GoldenTree Asset Management LP and MIC Leisure (Pty) Ltd v Peermont Holdings (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be approved, without conditions whereby GoldenTree Asset Management LP (GoldenTree) and MIC Leisure (Pty) Ltd (MIC Leisure) intended to acquire additional shares in Peermont and thereby exercise control over Peermont.

GoldenTree, an American company, is an employee owned asset management firm specialising in credit opportunities across high yield bonds, leveraged loans, distressed debt, structured products, emerging markets and credit-themed equities. GoldenTree does not have investments in any companies in South Africa that compete with Peermont.

MIC Leisure forms part of a wider group of companies (MIC Group). MIC Leisure is a wholly owned subsidiary of the Mineworkers Investment Company (RF) (Pty) Ltd (MIC) which is, in turn, controlled by Mineworkers Investment Trust. The MIC Group invests in cash generative and growth assets that allow it to pay a sustainable dividend to MIT to fund social upliftment programs for energy and construction workers, and their dependents.

Peermont is a hotel and casino operator and controls casinos in South Africa. Peermont currently has a number of shareholders, none of whom controls Peermont. Through Peermont Global and various subsidiaries, Peermont is a casino and hotel operator in South Africa and Botswana.

The proposed transaction is unlikely to substantially prevent or lessen competition in any market. In addition, the proposed transaction does not raise any public interest concerns.

1.10 WC Youngman SA (Pty) Ltd and Polmay Properties (Pty) Ltd v Corr-Line Steel & Roof (Pty) Ltd

The Commission has approved, without conditions, the proposed merger whereby WC Youngman SA (Pty) Ltd (Youngmans) and Polmay Properties (Pty) Ltd (Polmay) intend to acquire Corr-Line Steel & Roof (Pty) Ltd (Corr-Line).

Youngmans is a supplier, distributor and manufacturer of roofing material. Youngmans manufactures inverted box rib, corrugated iron and concealed fix profiles and supplies polycarbonate and fiberglass sheeting in a variety of roofing profiles. Youngmans also distributes steel sheeting, flashings, fixings, polycarbonate sheeting and insulation. Youngmans is predominately active in the Western Cape. Polmay is a property owning and investment company that currently holds property investments and a listed share portfolio.

Corr-Line is a supplier, distributor and manufacturer of roofing material. Corr-Line manufactures corrugated iron, IBR, and Widespan. It supplies roof sheeting, associated products in various materials and profiles, including light weight steel roof trusses and structures. Corr-Line distributes and manufactures concealed fix sheeting, galvanished steel ceiling battens, flashings and wide range of rainwater goods. Furthermore, Corr-Line distributes roof sheeting accessories, ventilators, screws, insulation, flashings, roofing accessories and products that relate to roofing.

The Commission concludes that the proposed transaction is unlikely to substantially prevent or lessen competition in the market. In addition, the proposed transaction does not raise any public interest concerns.

1.11 Legacy Auto (Pty) Ltd v Marnau Motors (Pty) Ltd

The Commission has approved the proposed merger, without conditions, whereby Legacy Auto (Pty) Ltd (Legacy Auto) intends to acquire Murnau Motors (Pty) Ltd (Murnau).

Legacy Auto trades as Zambesi Auto (Zambesi). Legacy Auto is controlled by Legacy Holdings (Pty) Ltd, Zanray Investments 1030 (Pty) Ltd, and Silverwing Investments 1000 (Pty) Ltd. Collectively, Legacy Auto and all its subsidiaries are the acquiring group. The acquiring group has property investments which have premises that operate its dealerships.

Murnau sells new BMW/MINI and used motor vehicles and BMW/MINI parts and BMW/MINI accessories and services and other repairs BMW/MINI vehicles in the Rustenburg area.

The Commission is of the view that the proposed transaction is unlikely to substantially to prevent or lessen competition in the market. In addition, the proposed transaction does not raise any public interest concerns.

1.12 Unitrans Automotive (Pty) Ltd v a portion of Tommy Martin Roodepoort, a division of Super Group Trading (Pty) Ltd

The Commission has approved the proposed merger, without conditions, whereby Unitrans Automotive (Pty) Ltd (Unitrans Automotive) intends to acquire a portion of Tommy Martin Roodepoort, a division of Super Group Trading (Pty) Ltd (Super Group).

Unitrans Automotive represents Steinhoff's automotive retail activities. Its key product and service offerings are the sale of new and pre-owned vehicles, parts and accessories and after-market service. The dealerships assist customers with acquiring consumer credit, insurance products, fleet management services and car rental. In addition, Unitrans Automotive operates over 90 franchised dealerships throughout South Africa.

Super Group operates an Isuzu vehicle dealership in Roodepoort, in Gauteng. Its key service offering consists of a service department and a parts department. In addition, it acts as an intermediary and offers customers access to financial services relating to the purchase of vehicles. Super Group does not offer passenger vehicles.

The proposed transaction is unlikely to substantially prevent or lessen competition in the market for the sale of light commercial vehicles in Gauteng. In addition, the proposed transaction does not raise any public interest concerns.

1.13 Long4Life Ltd v Holdsport Ltd

The Commission has approved the proposed transaction, without conditions, whereby Long4Life intends to acquire Holdsport.

Long4Life is an investment holding company that is listed on the JSE and was incorporated to invest primarily in businesses with attractive growth prospects, led by strong entrepreneurial minded management terms. Long4lifes's primary focus will be on acquiring equity interest in businesses which fall within the broader lifestyle category of consumer facing enterprises. Long4life aims to provide financial, strategic and management support to its investee companies.

Holdsport operates as a retailer of sport apparel, footwear and equipment in South Africa (and though one store in Namibia) through the well-known Sportman's Warehouse stores situated around the country, a retailer of outdoor and camping apparel, footwear and equipment in South Africa (and though one store in Namibia) though the well-known Outdoor Warehouse stores situated around the country and a wholesaler of sport, outdoor and lifestyle apparel through its subsidiaries.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in any market. In addition, there are no public interest concerns.

1.14 Noble Spectatus Fund 3 (Pty) Ltd v The retail letting enterprise known as Bella Mall owned by Shoprite and Bella Mall (Pty) Ltd

The Commission has approved the proposed transaction, without conditions, whereby Noble Spectatus Fund 3 (Pty) Ltd (Noble 3) intends to acquire Bella Mall.

Noble 3 is wholly-controlled by Noble Spectatus Fund (Pty) Ltd (Noble Spectatus) which is, in turn, controlled by Walker Bay Trust. Noble Spectatus, its subsidiaries and Walker Bay Trust invest in investment and commercial property with a property portfolio in the Western Cape. Noble 3 does not own any property in South Africa.

Bella Mall is jointly controlled by Shoprite Checkers Limited (Shoprite) and Bella Mall (Pty) Ltd. Bela Mall comprises rentable retail space and is situated in Bela, Limpopo. It is classified as a Shopping Centre.

The proposed transaction is unlikely to substantially prevent or lessen competition in the relevant product market. In addition, the proposed transaction does not raise any public interest concerns.

1.15 TFC Operations (Pty) Ltd and TFC Properties (Pty) Ltd v Bird Plant (Pty) Ltd and C-Max Investment 71 (Pty) Ltd

The Commission has approved the proposed transaction, without conditions, whereby TFC Operations (Pty) Ltd (TFC Opco) and TFC Properties (Pty) Ltd (TFC Propco) intends to acquire Bird Plant (Pty) Ltd (Bird Plant) in respect of the retail fuel operations of Total Beyers Naude and C-Max Investments 71 (Pty) Ltd (C-Max) in respect of retail fuel operations of Sasol East Rand, the retail fuel operations of Sasol Verbaard and the immovable property on which Sasol Verbaard operates.

TFC Opco and TFC Propco are private companies. Both are controlled by Kaap Agri Bedryf Limited (Kaap Agri Bedryf). Kaap Agri Bedryf also jointly controls Kaap Agri Nambia (Pty) Ltd (Kaap Agri Nambia) with Agriplas (Pty) Ltd (Agrplas). Kaap Agri Bedryf is wholly-owned by Kaap Agri Limited (Kaap Agri). TFC Propco, TFC Opco, Kaap Agri Bedryf, Kaap Agri and all the firms controlled by each of the aforementioned in South Africa collectively constitute the "acquiring group".

The primary target firms are Bird Plantin respect of the retail fuel operations of Total Beyers Naude and C-Max in respect of retail fuel operations of Sasol East Rand, the retail fuel operations of Sasol Verbaard and the immovable property on which Sasol Verbaard operates. C-Max is a wholly-owned by Lionshare Holdings (Pty) Ltd which is, in turn, wholly-owned by Tshala Business Trust.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in any market. In addition, there are no public interest concerns.

1.16 TFC (Operations) (Pty) Ltd and TFC Properties (Pty) Ltd v The Business of Desertmoon Trading 170 CC; Edoscene CC; Edopax CC; and Smartgrowth Investments (Pty) Ltd

The Commission has approved the proposed transaction, without conditions, whereby TFC Properties (Pty) Ltd (TFC Propco) and TFC (Operations) (Pty) Ltd (previously Trade Carriers (Pty) Ltd) (TFC Opco) intends to acquire Smartgrowth Investments (Pty) Ltd (Smartgrowth), Desertmoon Trading 170 CC (Desertmoon), Edoscene CC (Edoscene) and Edopax CC (Edopax).

TFC Opco and TFC Propco are private companies. Both are controlled by Kaap Agri Bedryf Limited (Kaap Agri Bedryf). Kaap Agri Bedryf also jointly controls Kaap Agri Nambia (Pty) Ltd (Kaap Agri Nambia) with Agriplas (Pty) Ltd (Agrplas). Kaap Agri Bedryf is wholly-owned by Kaap Agri Limited (Kaap Agri). TFC Propco, TFC Opco, Kaap Agri Bedryf, Kaap Agri and all the firms controlled by each of the aforementioned in South Africa collectively constitute the “acquiring group”.

Desertmoon operates a fuel retail station in Clayville North (Engen Clayville North), where it supplies petrol and diesel products to the general public. It also operates a convenience store on the premises which sells fast moving consumer goods such as soft drinks, fresh food, processed food, tobacco products etc.

Edoscene operates a fuel retail station in Clayville South (Total Clayville South) where it supplies petrol and diesel products to the republic. It also operates a convenience store on the premises. Edopax operates a fuel station in Centurion, Total Summit Road, where it supplies petrol and diesel products to the general public. It also operates a convenience store on the premises.

Smartgrowth is a property owning company and owns immovable properties which it leases to Engen Clayville North, Total Clayville South and Total Summit Road.

In terms of the Sale of Business Agreement, TFC Opco intends to acquire three fuel service stations situated in Gauteng, being the businesses and assets of Desertmoon which currently owns “Engen Clayville North”, Edoscene which currently owns “Total Clayville South”, Edopax which currently owns “Total Summit Road”. TFC Propco intends to acquire the properties on which the business Engen Clayville North, Total Clayville South and Total Summit Road are operated on, from Smartgrowth.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in the market for retail fuel station and other related products with convenience offerings in Clayville, specifically in Gauteng. In addition, the proposed transaction does not raise any public interest concerns.

1.17 JT Ross Properties (Pty) Ltd v Roprops No 1 (Pty) Ltd

The Commission has approved the proposed merger, without conditions, whereby JT Ross Properties (Pty) Ltd (JT Ross Properties) intends to acquire Roprops No 1 (Pty) Ltd (Roprops No 1).

JT Ross properties is a property investment company forming part of the Ross Group. JT Ross Properties operates a property portfolio which comprises various types of rentable space including commercial, industrial.

Roprops No 1 is a property investment company forming part of the Ross Group. It also operates a property portfolio which comprises various types of rentable space including the industrial property situated in Umlazi, Durban, KwaZulu-Natal.
The Commission found that the proposed transaction is unlikely to substantially prevent competition. In addition, no other public interest issues arise as a result of the proposed transaction.

2. <u>Non Referrals: The Commission has taken a decision to non-refer (not to prosecute) the following cases:</u>

2.1 Ronel Du Toit v Psira
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.2 Sunnyboy Sfiso Nkala v Land Bank Nelspruit
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.3 IFI Paper CC v Sappi South Africa and Mondi Paper Mills South Africa
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.4 Busisiwe Matti v STSS (Electricity Provider)
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.5 Ian Stacey v Pam Golding Properties (Pty) Ltd
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.6 Victor Menzi Phiri v Subisiso Gumbi KZN Department of Transport
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.7 Cathanna Cecilia Dewar v Servest
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.8 Mr Wilfred Abrahams and Mrs Tiffanai Abrahams v GWM JHB South
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.9 Motseriganyi Lawrence v Vametco Minerals Corporation (Pty) Ltd, Executive Committee/s of Uitval Uit v al Ground 431 JQ and Krokdilkraal 426 JQ Co- Owners, Attorneys and others
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.10 Saintjay Manyasha, President of Gauteng Tenants Association v Huurkor & 11 Others
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.11 Andries J Van Der Vyver V Santam
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.12 Dr P.A Moores v Designated Service Provider Contracts – all medical aids in South Africa and exclusive provider networks
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.13 Anonymous v MFC a division of Nedbank and Faims
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.14 Vincent Van AS vs The South African Government
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.15 Ex -Afrox Employee vs African Oxygen (Pty) Ltd
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.16 Bojanala Crusher Services (Pty) Ltd vs Impala Platinum LTD
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.17 Dr Ivan Schewitz for Leboneng Hospital (Pty) Ltd v Arwyp Medical Centre
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.18 Michael Makgale vs First Road Group
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.19 Wayne Letchman vs Conveyancing Attorney & Estate Agents
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.20 Henry Jansen Van Vuuren v Suidwes Landou (Pty) Ltd and Equalizer SA (Pty) Ltd

2.21 RCGL Trading (Pty) Ltd v Fry Group Foods (Pty) Ltd
The Commission is of the view that the conduct complained of does not contravene the Competition Act.

[ENDS]

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