



competition commission
south africa

Statement on the decisions of the Competition Commission

Date: 05 October 2016

1. Key decisions on Mergers and Acquisitions

Proposed merger between A C Mauff and Partners t/a Lancet Laboratories (Lancet) and Van Rensburg Patoloe Inc (VRP)

The Commission has approved, without conditions, the intermediate merger whereby Lancet intends to acquire VRP.

Lancet provides specialist diagnostic and monitoring pathology services on a wide range of disciplines including analytical chemistry, bacteriology, chemistry, coagulation, cytology, haematology, histology, microbiology, molecular biology, tuberculosis laboratory services, polymerase chain reaction services, virology and veterinary pathology.

VRP is a medical practice of specialist pathologists in the form of an incorporated partnership which is also registered with the Health Professions Council of South Africa. VRP's pathology's divisions and specialisations include chemical pathology, endocrinology haematology, microbiology, serology and histology.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise public interest concerns.

Proposed merger between Consolidated Infrastructure Group Ltd (CIG), Conlog (Pty) Ltd (Conlog), Parmtro Investments No.11 (Pty) Ltd (Parmtro) and Valortrade 27 (Pty) Ltd (Valortrade) (Target Firms)

The Commission has approved, without conditions, the intermediate merger whereby CIG intends to acquire Conlog, Parmtro and Valortrade.

CIG is a diversified company involved in the supply, maintenance and installation of low electricity voltage, medium electricity voltage and high electricity voltage services. CIG also supplies crushed stone, concrete and rock for the construction industry for application in roads and ready mix as well as the manufacture of face, semi-faced and plaster clay bricks and concrete roof tiles.

Conlog is active in the metering market wherein it manufactures, supplies, installs and maintains pre-paid electricity meters. It provides its pre-paid electricity meters to the

residential, commercial and light industrial sectors. Conlog also offers software solutions to enable revenue management.

Parmtro is a special purpose vehicle for the B-BBEE shareholding of the group of companies and does not conduct any activities. Valortrade is a dormant company and does not conduct any business or activities.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise any public interest concerns.

Proposed merger between Unitrans Supply Chain Solutions (Pty) Ltd (USCS) and Lucerne Transport (Pty) Ltd (Lucerne)

The Commission has approved, without conditions, the intermediate merger whereby USCS intends to acquire Lucerne.

USCS is an integrated logistics, warehouse and distribution management business. Lucerne provides transportation services for edible and non-edible liquids.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise public interest concerns.

Proposed merger between Brenntag Holding B.V Ltd (Brenntag) and Warren Chem Specialities (Pty) Ltd (Warren Chem)

The Commission has approved, without conditions, the intermediate merger whereby Brenntag intends to acquire Warren Chem.

Brenntag supplies speciality chemical products to a wide range of industries including pharmaceuticals, food and beverages. Warren Chem acts as a distributor and specialist value-added service provider of speciality chemical products, primarily to the pharmaceutical, food and beverage industries in South Africa.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise public interest concerns.

Proposed merger between K2016272836 (SA) (Pty) Ltd (SPV) and Neotel (Pty) Ltd (Neotel)

The Commission has approved, without conditions, the intermediate merger whereby SPV intends to acquire Neotel.

SPV is a special purpose vehicle established for the purpose of this transaction. Neotel is a fixed-line telecommunications service provider focusing on the offering of voice, data and internet services. It is active in the provision of both wholesale and downstream fixed-line infrastructure services in South Africa.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise public interest concerns.

Proposed merger between FIH Mobile Ltd, a subsidiary of Hon Hai Precision Industry Company Ltd and Microsoft Mobile (Vietnam) Ltd and certain assets of the feature phone business operated by Microsoft Corporation

The Commission approved, without conditions, the intermediate merger whereby FIH intends to acquire Vietnam and certain assets of the feature phone business operated by Microsoft Corporation.

FIH is the provider of Electronics Manufacturing Services (EMS) on a contract or third party basis. This means that it provides EMS for other companies known as Original Equipment Manufacturers.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise public interest concerns.

Proposed merger between Greenland Property Group (Pty) Ltd (Greenland) and Silver Leaf Property Fund Ltd in respect of certain immovable properties known as Wilderness Safari, Milpark Business School, Crystal Towers and Aucor A & B-D and The Leaf Property Fund Trust in respect of an immovable property known as Village Square (Target Properties)

The Commission approved, without conditions, the intermediate merger whereby Greenland intends to acquire the Target Properties.

The Greenland Group is a newly established property investment holding company and currently does not provide any products or services. The Target Properties consists of five immovable properties used for commercial purposes.

The Commission found that the proposed merger is unlikely to substantially prevent or lessen competition. Further, the proposed merger does not raise public interest concerns.

Proposed merger between Pepkor (Pty) Ltd (Pepkor) and Southern View Finance SA (Pty) Ltd (SVF SA) and Van As & Associates Recoveries (Pty) Ltd (Van As) (Target Firms)

The Commission has recommended to the Tribunal an approval, without conditions, in the large merger whereby Pepkor intends to acquire SVF SA and Van As.

Pepkor manages a portfolio of retail chains focused on the discount and value markets and selling predominantly clothing, footwear and textiles as well as furniture. In South Africa, its main clothing stores are PEP, Ackermans, Dunns, John Craig, Shoe City and Flash.

In the furniture business, Pepkor is active in the retail of furniture, household goods, products for home decoration, electrical appliances, electronics, building materials and do-it-yourself home improvement items through the following stores: Barnetts, Bradlows, Joshua Doore, Morkels, Price 'n Pride, Russels, Sleepmasters, Hi-fi Corp, Incredible Connection, Pennypinchers, Timber City, Tilehouse, Unitraco and Truss plant.

SVF SA performs call centre and loan administration services in respect of the Capfin micro-lending business and other entities within the Fulcrum Group. In particular, the call centre evaluates the merits of credit applications, scores the application and issues the credit if the application criteria are met.

Van As performs debt collection related services, such as briefing attorneys and managing the debt collection process, in respect of the Fulcrum Group's micro-lending business under Capfin.

The Commission found that the proposed transaction is unlikely to substantially prevent or lessen competition in any market in South Africa. In addition, the transaction raises no public interest concerns.

Proposed merger between TLT-Turbo GmbH (TLT) and TLT ACTOM (Pty) Ltd (TLT ACTOM)

The Commission has approved, without conditions, the small merger whereby TLT intends to acquire TLT ACTOM.

TLT is a manufacturer of technology-driven industrial fans and ventilation systems. TLT ACTOM is a joint venture with ACTOM's mines, industrial, ventilation and air-conditioning business, which designs, manufactures and supplies axial flow and centrifugal fans and supplies and installs the fans for customers in the mining and industrial sector in South Africa.

The Commission found that the proposed transaction is unlikely to substantially prevent or lessen competition in any market in South Africa. In addition, the transaction raises no public interest concerns.

Proposed merger between Algrobix (Pty) Ltd (Algrobix) and Flavourome (Pty) Ltd (Flavourome)

The Commission has approved, without conditions, the intermediate merger whereby Algrobix intends to acquire Flavourome.

Algrobix is a special purpose vehicle established for the purposes of the proposed transaction and does not provide any products or services. Flavourome is involved in the manufacture and packaging of flavour solutions.

The Commission found that the proposed transaction is unlikely to substantially prevent or lessen competition in any market in South Africa. In addition, the transaction raises no public interest concerns.

Proposed merger between The Blackstone Group L.P (Blackstone) and JDA Software Group Inc (JDA Software)

The Commission has approved, without conditions, the intermediate merger whereby Blackstone intends to acquire JDA Software.

Blackstone is one of the world's leading investment firms. Its investments are designed to preserve and grow their limited partners' capital, provide financial security for millions of retirees, sovereign wealth funds, and other institutional and individual investors, and contribute to overall economic growth.

JDA Software operates as a provider of end-to-end, integrated retail, omni-channel and supply chain planning and execution solutions.

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

2. Non Referrals – The Commission has taken a decision to non-refer (i.e. not to prosecute) the following case

- a) Francois Kapp vs. MTN services provider – *The Commission found that the conduct complained of does not contravene the Competition Act.***

Ends

For more information:

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