

Statement on the decisions of the Competition Commission

To all media

Date: 4 February 2016

1. Decisions on Exemptions

The Competition Commission (Commission) has rejected the Council for Built Environment (CBE) exemption applications. **See Annexure A**

2. Key decisions on Mergers and Acquisitions

2.1 Prohibited Mergers

The Commission has prohibited the proposed merger between CTP Ltd, Digital Disc Manufacturing and Replicating Business of CDT. **See Annexure B**

2.2 Public Interest Guidelines

The Commission has extended the deadline for the submission of comments on the draft guidelines for the assessment of public interest provisions in merger regulation. The new submission deadline is 12 February 2016. **See Annexure C**

2.3 Approved Mergers

Proposed merger between Bongicel (Pty) Ltd (Bongicel) and Lusitania Food Products (Pty) Ltd (Lusitania)

The Commission has recommended to the Competition Tribunal (Tribunal) that the large merger whereby Bongicel intends to acquire Lusitania be approved, without conditions. Post-merger, Bongicel will control Lusitania.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition, as there is no overlap in the activities of the merging parties.

Bongicel is a newly incorporated entity for the purposes of the proposed transaction and does not have any activities.

Lusitania is mainly involved in the wholesale distribution of seafood, fish and other chilled food items to the hospitality industry including hotels, restaurants and caterers.

Proposed merger between Redefine Properties Limited (Redefine), The Pivotal Fund Limited (Pivotal) and Absshelf Proprietary Limited (Absshelf) and Galleria (the Galleria)

The Commission has recommended to the Tribunal that the large merger whereby Redefine, Pivotal and Absshelf intend to acquire the Galleria, be approved without conditions. Post-merger, Redefine, Pivotal and Absshelf will have control of the Galleria.

The Commission found that the merged entity will continue to be constrained by a significant number of competing properties. Thus, 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.

Pivotal is a property investment and development fund with a property portfolio comprising of vacant land, office, retail and industrial property in the Gauteng and Eastern Cape Provinces.

Redefine comprises of a number of property investment and management firms that have a property portfolio comprising of a diverse range of office, retail, residential and industrial properties throughout South Africa.

Absshelf is a wholly owned subsidiary of Abland. Abland is primarily a property development company specialising in the development of commercial, industrial and retail property in South Africa.

The Galleria is a Grade B Retail – Convenience Centre.

Proposed merger between Choppies Supermarkets South Africa (Pty) Ltd (Choppies SA) and Jwayelani Retail (Pty) Ltd (Jwayelani)

The Commission has approved without conditions, the intermediate merger whereby Choppies SA intends to acquire Jwayelani. Post-merger, Choppies will control Jwayelani.

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

Choppies SA is a grocery retailer with stores located in the following in Limpopo, Northwest, Gauteng, Free State and Mpumalanga.

Jwayelani is a grocery retail and meat plant business with 21 stores located in KwaZulu-Natal and one in the Eastern Cape Province.

Proposed merger between Socintra SA (Socintra) and Umhlaba Projects (Pty) Ltd (Umhlaba)

The Commission has approved without conditions, the intermediate merger whereby Socintra intends to acquire Umhlaba. Post- merger, Socintra will control Umhlaba.

The Commission considered the activities of the merging parties and found that there is no overlap in the activities of the merging firms in South Africa. Therefore, the proposed transaction is unlikely to substantially prevent or lessen competition.

Socintra is a provider of finance and working capital which does not operate (and has never operated) in South Africa.

Umhlaba is a management consultancy business and property investment company.

Proposed merger between Wallenius Wilhelmsen Inland Service Holdings AS (WWIS) and CAT-WWL Logistics (Pty) Ltd (CAT-WWL)

The Commission has approved without conditions, the intermediate merger whereby WWIS intends to acquire CAT- WWL. Post-merger, WWIS will control CAT-WWL.

The Commission found that there is no overlap in the activities of the merging firms in South Africa. Therefore, the proposed transaction is unlikely to substantially prevent or lessen competition.

WWIS is a global shipping and logistics services provider for the automobile, high and heavy and non-containerised cargo industries worldwide.

CAT-WWL is an outbound vehicle logistics manager. It manages vehicle storage facilities for vehicle manufacturers.

Ends

For more information:

Itumeleng Lesofe, Spokesperson

012 394 3287/ 073 805 7733/ ltumelengL@compcom.co.za