

Weekly Media Statement
For immediate release
19 February 2018

LATEST DECISIONS BY THE COMPETITION COMMISSION

1. Key decisions on mergers and acquisitions

1.1 Southern Palace Group of companies (Pty) Ltd (SPG) v Murray & Roberts Ltd (MUR)

The Commission has recommended to the Competition Tribunal (Tribunal) that the proposed transaction be approved, without conditions, whereby SPG intends to acquire MUR in respect of the Genrec division.

SPG is a managed black investment holding company with diverse interests in real estate, industrial companies, information technology, metals, mining and construction. It also has a presence in the steel products manufacturing and recycling industry, and the automotive trading and manufacturing industry.

Genrec is a manufacturer of steel fabrication solutions and undertakes high, medium and heavy structural steel fabrication, structural steel, project services, steel erections and site services for construction companies. Steel fabrication is the process of cutting, bending and shaping steel alloy to create a product. Unlike various types of welding in which items are repaired or strengthened, steel fabrication takes many pieces of metal and attaches them together in the form of a predefined shape and size.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in the relevant market. In addition, the Commission found that the proposed transaction does not raise public interest concerns.

1.2 Holistic Remedies (Pty) Ltd (Holistic Remedies) v Incobrand (Pty) Ltd (Incobrand)

The Commission has approved the proposed transaction, without conditions, whereby Holistic Remedies intends to acquire Incobrand.

CPC is a property holding and investment company and its property portfolio consists of shopping centres which are situated in the Gauteng Province.

Holistic Remedies is a holding company of five firms that are involved in the manufacture and supply of personal care products under various brand names. The firms within the acquiring group are involved in the research, development, manufacture and marketing of branded hair care, skin care, fragrances and homecare products.

Incobrand is an importer and distributor of personal care brands and food products including sweeteners and chocolates. It supplies its products to retail outlets, wholesalers, supermarkets and independent pharmacies.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in the relevant market. In addition, the Commission found that the proposed transaction does not raise public interest concerns.

1.3 Total South Africa (Pty) Ltd (Total SA) v Gulfstream Energy (Pty) Ltd (Gulfstream)

The Commission has recommended to the Tribunal that the proposed transaction be approved, without conditions, whereby Total SA intends to acquire Gulfstream.

Total SA has crude oil refinery capabilities through its stake in National Petroleum Refiners of South Africa (Pty) Ltd. It also markets and distributes refined petroleum products throughout South Africa, such as diesel, petrol, greases, and illuminating paraffin, kerosene, Liquefied Petroleum Gas, bitumen, jet fuel, fuel oil product and lubricants. Total SA sells its refined petroleum products to retail customers and commercial customers.

Gulfstream is an independent wholesaler and supplier of refined petroleum products. It primarily supplies diesel, petrol and illuminating paraffin with minimal sales of other refined petroleum products such as A1 Jet Fuel or Avgas. Gulfstream markets and distributes petroleum products to various customers including commercial, retail, mining and public sector.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in the relevant market. In addition, the Commission found that the proposed transaction does not raise public interest concerns.

2. Complaint withdrawal: The Commission has taken a decision to accept the withdrawal of the following cases:

2.1 Mohammed Moosa v Adidas SA

The Commission has accepted the withdrawal of the complaint.

[ENDS]

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