



**competition commission**  
*south africa*

## **Weekly Media Statement**

### **For Immediate Release**

**17 September 2020**

The Competition Commission of South Africa (CCSA) held its ordinary weekly meeting on Tuesday 15 September 2020, to review and take decisions on matters brought before the Commission by members of the public and corporate applicants, in terms of the Competition Act (89 of 1998). These matters include but are not limited to complaints, mergers and acquisitions.

## **LATEST DECISIONS BY THE COMPETITION COMMISSION**

### **1.1 Foschini Retail Group (Pty) Ltd (Foschini Retail)/ The assets and business conducted by Edcon Limited as a going concern under the "Jet "division out of certain Edcon's physical retail stores in South Africa (the Jet Division)**

The Commission has recommended that the Competition Tribunal (Tribunal) conditionally approve the proposed transaction whereby Foschini Retail intends to acquire the Jet Division.

The Foschini Group is one of the foremost independent chain-store groups in South Africa and has a diverse portfolio of 29 leading fashion retail brands offering clothing, jewellery, cell phones, accessories, cosmetics, luggage, sporting apparel and equipment, homeware, and furniture, from the 'value' market to 'upper' market segments. The Foschini Group also offers insurance products.

The Jet Division is Edcon's discount department store division, selling clothing, footwear, homeware, and some cosmetics, as well as cellular and insurance products.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission and the merging parties have agreed on merger conditions. The conditions will ensure that the merging parties retain at least 381 Jet stores and the employment of at least 4664 Jet employees from the target firm. The merging parties have also committed to make efforts to increase the number of Jet stores that will be retained post-merger. Further, the Acquiring Firm shall also give preference to eligible Edcon employees should vacancies arise in the Jet business for a period of three years from the implementation date. Finally, the merging parties have also made commitments to try to increase their procurement of locally produced inventory going forward.

**1.2 Nimble Credit Fund 1 (Pty) Ltd (Nimble Credit)/ Parts of Edcon Ltd's (in business rescue) loan book and associated inhouse administration services, including debt collection services, which consist of certain assets and certain yet to be identified employees (Target Business)**

The Commission has conditionally approved the proposed merger whereby Nimble Credit intends to acquire the Target Business.

The Nimble Group provides solutions to the credit industry in both the consumer and corporate markets. The Nimble Group has developed its operations in the non-performing loan segment of the market. It focusses on four functional areas, namely: contingent debt collections (i.e. debt collection services); outsourcing in respect of the receivables function; debt purchasing, and fund management.

The Target Business comprises various debts books of Edcon including the Non-Performing Book, Written-Off Book, and the Current Foreign Portfolio. The Target Business is owned by Edcon Ltd.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The merging agreed to a commitment that there will be no job losses as a consequence of the merger for a period of at least two year from the date of approval of the transaction. Further, the merging parties have

committed to make offers of employment to at least 150 employees of Edcon's financial services division that were dedicated to the Target Business.

### **1.3 Roos Foods (Pty) Ltd (Roos Foods)/ The Business of 10 KFC Franchised Restaurants owned and carried on by van Eeden Kitskos (Pty) Ltd (van Eeden Kitskos)**

The Commission has conditionally approved the proposed merger whereby Roos Foods intends to acquire the business of the 10 KFC franchised restaurants (Kitskos KFCs) owned and carried van Eeden Kitskos.

Roos Foods operates 71 KFC franchises, with its outlets located in Mpumalanga, Gauteng, North West and Limpopo provinces. The KFC outlets primarily sell fried chicken pieces, chicken burgers, wraps, salads, sides, desserts, and beverages.

The Kitskos KFCs are also primarily involved in the operation and management of 10 KFC franchised restaurants under a franchise agreement with the KFC franchisor in South Africa.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. Regarding public interest, the Commission imposed certain employment-related conditions in order to safeguard against any potential retrenchments that may arise as a result of the proposed transaction.

### **1.4 Motus Group Limited (Motus)/ Motor Spares Stop (Pty) Ltd (Motor Spares Business)**

The Commission has unconditionally approved the proposed merger whereby Motus intends to acquire Motor Spares Business.

Motus is involved in vehicle importation, vehicle distribution and dealerships, vehicles rental and vehicle related financial services in South Africa. Of relevance to the proposed transaction, Motus

is a distributor, wholesaler and retailer of non-original equipment manufacturer Aftermarket Parts (hereafter referred to as “Aftermarket Parts”).

The Motor Spares Business is a retailer of Aftermarket Parts.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

### **1.5 Autobahn Properties (Pty) Ltd (Autobahn Properties)/ SA Retail Properties (Pty) Ltd (SA Retail)**

The Commission has unconditionally approved the proposed merger whereby Autobahn Properties intends to acquire the rental enterprise known as Remaining Extent of Erf 116 New Brighton township (Target Property) from SA Retail.

Autobahn Properties (also referred to herein as the Acquiring Group) is a private company registered in accordance with the laws of the Republic of South Africa. The Acquiring Group has interests in the property holding industry and with a property portfolio consisting mainly of light industrial property. Of relevance to the proposed transaction are the Acquiring Group’s light industrial properties located in Port Elizabeth, in the Eastern Cape Province.

The Target Property is owned by SA Retail and is located in the Nelson Mandela Metropolitan Municipality, Port Elizabeth, Eastern Cape. The Target Property is an industrial property situated in Eveready Road, Struandale, Port Elizabeth, and is used specifically for manufacturing purposes.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

## **1.6 Shizeyn Property Investments (Pty) Ltd (Shizeyn) / Blend Property 12 (Pty) Ltd (Blend Property 12) and Blend Property 17 (Pty) Ltd (Blend Property 17) in respect of a portfolio of properties (“Property Portfolio”)**

The Commission has unconditionally approved the proposed merger whereby Shizeyn intends to acquire the Property Portfolio from Blend Property 12 and Blend Property 17.

The Shizeyn Group conducts business as a property investment company. Shizeyn Group’s property portfolio comprises office, industrial, and residential properties in Johannesburg, Durban, Cape Town, Germiston, Springs, and Vanderbijlpark.

The Property Portfolio is comprised of certain office, light industrial and vacant land property in Midrand, Gauteng.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

## **2 Non-Referrals: The Commission has taken a decision to non-refer (not to prosecute) the following cases:**

### **2.1 Marius Pieter Cronjé v Mr Jacques Kleynhans**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

### **2.2 Lindy de Klerk v SABC Executive and Senior Management and Commercial Enterprises division**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

**2.3 Ngqiqo Mahlutshana v Trafalgar Property Management (Pty) Ltd and Carlswald Meadows Body Corporate**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

**2.4 Kefiloe Sebati in her capacity as the Managing Director of Africawide Health (Pty) Ltd v SolutionQ, MedQ and SolutionQ Medicals**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

**2.5 John Truter in his capacity as the Director of Gemstone Construction (Pty) Ltd v Generator King**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

**2.6 Gift Xesi v Medical Aid Schemes**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

**2.7 Tshwanelo Rakaibe v Pick 'n Pay (Mall @ Reds)**

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

**Members of the public can now lodge their complaints by SMS @084 743 0000**

**[ENDS]**

**Issued by:**

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