



competition commission
south africa

Weekly Media Statement

For Immediate Release

09 April 2021

The Competition Commission of South Africa (CCSA) held its ordinary weekly meeting on Tuesday 6 April 2021, 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 Traton SE (“Traton”) / Navistar International Corporation (“Navistar”).

The Commission has unconditionally approved the proposed merger whereby Traton intends to acquire control in Navistar.

The Acquiring Firm manufactures and sells commercial vehicles including vans, medium-duty trucks, heavy duty trucks, buses and further offers related services. The Acquiring Firm brands includes (i) MAN, (ii) Scania and (iii) Volkswagen Camihoes e Obus (“VW CO”).

The Target Firm manufactures commercial medium-duty trucks and heavy-duty trucks, proprietary diesel engines and city buses. The Target Firms also offers truck and engine spare parts and finance services. In South Africa, the Target Firm is active, to a limited extent, in the sale of heavy-duty trucks, with its core business being the manufacture and supply of spare parts to the aftermarket engines and application.

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.

1.2 CMH Motor Holdings (Pty) Ltd (“CMH Holdings”) / Ballito Motor Holdings (Pty) Ltd (“BMH”)

The Commission has recommended that the Competition Tribunal (Tribunal) conditionally approve the proposed transaction whereby CMH Holdings intends to acquire BMH.

The Acquiring Group is involved in a number of activities through its subsidiaries which includes the retail of new and used passenger vehicles (“PVs”) and light commercial vehicles (“LCVs”). In addition to the retail of PVs and LCVs, the Acquiring Group is active in the provision of car hire, distribution of consumables, digital marketing, and the supply of aftersales services (scheduled repairs) as well as the import and supply of branded automotive parts for various Original Equipment Manufacturers (“OEMs”). These automotive parts are supplied to third party parts suppliers.

BMH operates a Ford and Jaguar Land Rover new motor vehicle franchise in Ballito, Kwa-Zulu Natal.

The Commission recommended that the merger is approved subject to BMH terminating its Jaguar Land Rover activities prior to the implementation of the merger.

The merger does not raise any public interest concerns.

1.3 Enza Construction Proprietary Limited (“Enza Construction”) / Tension Overhead Electrification Proprietary Limited t/a Tractionel Enterprise (“Tractionel Enterprise”), Tractionel Maintenance Services Proprietary Limited (“Tractionel Maintenance”), Tractionel Group Holdings Proprietary Limited (“Tractionel Group”) and Tractionel Specialised Plant Proprietary Limited (“Tractionel Specialised Plant”).

The Commission has approved, without conditions, the proposed merger whereby Enza Construction intends to acquire Tractionel Enterprise, Tractionel Maintenance, Tractionel Group and Tractionel Specialised Plant.

Enza Construction has two regional divisions where, as a contractor, it delivers a range of large infrastructure projects. Enza Construction’s functional divisions include a civils division and a provider of turnkey solutions called Enza Plus.

Tractionel Enterprise’s business activities focus on power infrastructure for railway solutions, power solutions, maintenance as well as sales and services. The core business activities are split between two divisions namely Railway Solutions and Power Solutions.

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.

1.4 Premier FMCG (Pty) Ltd (“Premier”) / Lodestone Brands (Pty) Ltd (“Lodestone”)

The Commission has recommended that the Competition Tribunal (Tribunal) conditionally approve the proposed transaction whereby Premier intends to acquire Lodestone.

Premier is involved in the manufacture, distribution and marketing of branded and private label fast-moving consumer goods (“FMCG”) in Southern Africa. Premier’s primary commercial activities relate to milling and baking of both wheat and maize. Premier also operates in the personal care market, beverages and sugar-based confectionery markets.

Mister Sweet is a division of Lodestone and operates Lodestone’s sugar-based confectionary business. Mister Sweet produces a wide range of product types and pack sizes under the brands “Mister Sweet”, “Candy Tops”, “Frutus”, “Rascals” and “Champion”. Mister Sweet’s SBC portfolio also includes gums and jellies, marshmallows and liquorice, amongst others.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant market.

The Commission recommends that the merger is approved subject to conditions to address the merger’s impact on employment.

1.5 JAS Worldwide Omni-Channel, LLC (JAS) / Tigers Limited (Tigers)

The Commission has recommended that the Competition Tribunal (Tribunal) conditionally approve the proposed transaction whereby JAS intends to acquire Tigers.

The primary acquiring firm is JAS, a company incorporated in accordance with the laws of the state of Georgia, United States of America (USA). JAS is controlled by JAS Worldwide Inc (JAS Worldwide).

The primary target firm is Tigers Limited (Tigers), a company incorporated in accordance with the laws of Hong Kong.

JAS Worldwide is a global freight forwarder and logistics provider operating worldwide in over 80 countries. It offers freight forwarding services, customs brokerage, and warehousing services.

Tigers provides freight forwarding, customs brokerage and contract logistics services. It has branches and logistics hubs in Asia Pacific (Australia, Greater China, India, Malaysia, Myanmar), North America (USA and Canada), Europe (Germany, Netherlands, and the United Kingdom), as well as South Africa.

The Commission found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in the markets considered.

The Commission recommends that the merger is approved subject to conditions to address the merger's impact on employment. The merger does not raise any other public interest concerns.

1.6 Alviva Holdings Limited (“Alviva”), Tarsus Technology Group (Pty) Ltd (“Tarsus”).

The Commission has recommended that the Competition Tribunal (Tribunal) conditionally approve the proposed transaction whereby Alviva intends to acquire Tarsus.

Alviva is involved in the distribution, reselling and integration of IT hardware, software, and peripherals.

Tarsus is involved in the distribution of IT hardware, software, and peripherals.

The Commission found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant markets.

The Commission has recommended that the merger is approved subject to conditions to address employment. The merger does not raise any other public interest concerns.

1.7 DSV South Africa (Pty) Ltd (DSV), Globeflight Worldwide Express (SA) (Pty) Ltd (Globeflight)

The Commission has recommended that the Competition Tribunal (Tribunal) conditionally approve the proposed transaction whereby DSV intends to acquire Globeflight.

The primary acquiring firm, DSV, is a company incorporated in South Africa. DSV is ultimately controlled by DSV Panalpina A/S Group (DSV Panalpina), a company headquartered in Hedeusene, Denmark. DSV Panalpina is a public company listed on the Nasdaq Copenhagen Stock Exchange and is not controlled by any firm. DSV's activities can be categorised into (i) land, air and sea freight-forwarding services; (ii) contract logistics services; (iii) courier services (DSV Distribution); and (iv) special 'projects. DSV also advises on national customs and clearance, security, license requirements and regulations related to air and sea freight.

The primary target firm, Globeflight, is a company incorporated in South Africa. Globeflight provides local and international courier services via a range of different modes of transport, including road and air. Globeflight's general courier services include the delivery of envelopes and parcels between individuals, homes, and businesses. Globeflight has a particular focus on providing courier services to optometrists and their suppliers as well as courier services for blood and related products. The courier services for optometrists are predominantly carried out by the Globeflight subsidiary, Mercury Services Proprietary Limited.

The Commission found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in the markets considered. However, the Commission is concerned that the merger would result in job losses.

The Commission therefore recommends that the merger is approved subject to conditions to address the merger's impact on employment.

1.8 Motus Corporation Proprietary Limited (“Motus”), Renault South Africa Proprietary Limited (“Renault SA”)

The Commission has recommended that the Tribunal approve the proposed transaction whereby Motus intends to acquire the remaining shares in Renault SA from Renault France without conditions.

The Motus Group is an automotive group in South Africa involved in a diversified (non-manufacturing) business in the automotive sector which conducts business in four key business segments, namely (1) import and distribution; (2) retail and rental; (3) motor-related financial services; and (4) aftermarket parts.

Renault SA is involved in the importation and distribution of new Renault vehicles via its dealer network, the sale of used Renault vehicles to dealerships via its dealer network and the provision of after-sales services to the dealer network. Renault SA is also involved in the retail motor sector through 5 corporate-owned dealerships.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant market. The Commission further found that the proposed transaction is unlikely to raise any public interest concerns.

1.9 The Prepaid Company (Pty) Limited (“TPC”), GloCell Distribution (Pty) Limited (“GCD”)

The Commission has recommended that the Competition Tribunal (Tribunal) approve the proposed transaction whereby TPC intends to acquire GCD without conditions.

The primary acquiring firm, TPC, is active in the wholesale supply of prepaid airtime, data and cellular starter packs.

GCD is active in the wholesale supply of prepaid airtime, data and cellular starter packs.

The Commission found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in the markets considered.

There are no other public interest concerns arising from the proposed merger.

1.10 PrimeGrowth Retail (Pty) Ltd (“PrimeGrowth Retail), Atterbury Mile (Pty) Ltd (“Atterbury Mile) and Twin City Trading 2 (Pty) Ltd (“Twin City Trading 2”) The Prepaid Company (Pty) Limited (“TPC”), GloCell Distribution (Pty) Limited (“GCD”), / Atterbury Value Mart from Hyprop Investments Limited (“Hyprop Investments”)

The Commission has recommended that the Competition Tribunal (Tribunal) approve the proposed transaction whereby PrimeGrowth Retail, Atterbury Mile and Twin City Trading 2 intends to acquire Hyprop Investments without conditions.

The primary acquiring firms are as follow; The first primary acquiring firm is PrimeGrowth Retail, a newly incorporated company formed for the sole purpose of acquiring the Target Property. PrimeGrowth Group operates as a real estate company specialising in shopping centre leasing, management, sales, and retail tenant representation and has shopping centres located throughout South Africa.

The second primary acquiring firm is Atterbury Mile, Atterbury Mile is a newly incorporated company that was registered for the sole purpose of acquiring the Target Property and has no assets currently. The Mile Group has interests in the property investment industry in South Africa.

The third primary acquiring firm is Twin City Trading 2, Twin City Trading 2 is a newly incorporated company that was registered for the sole purpose of acquiring the Target Property and has no assets currently. The Twin City Group primarily invests in properties in the residential and retail markets and has minor investment diversification in the game farming and conservation industry and in software application.

The primary target firm Hyprop Investments is a Real Estate Investment Trust (REIT) listed on the JSE. Hyprop Investments operates an internally managed portfolio of properties in South Africa, Nigeria and

South Eastern Europe. The Target Property in the current transaction is a value centre situated at 2001 Atterbury Road, Faerie Glen, Pretoria and comprises approximately 48,605m² of rentable retail space.

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.

1.11 Mayo Macadamia Growers Proprietary Limited (“Growers”) / Mayo Macs SA (Pty) Ltd (“MMSA”)

The Commission has unconditionally approved the proposed merger whereby approve the proposed transaction whereby Growers intends to acquire MMSA.

The primary acquiring firm is Mayo Macadamia Growers Proprietary Limited (“Growers”). Growers is not controlled by any individual shareholder and has approximately 260 (two hundred and sixty) shareholders, the vast majority of whom are individual farmers and farming entities who produce macadamia nuts that are later bought, processed, and sold by the primary target firm.

Growers sells all the macadamias produced by its 260 shareholders to the primary target firm (MMSA). Growers sources all of its macadamias produce from its shareholders who are mainly farmers and farming entities.

The primary target firm is MMSA. MMSA does not directly or indirectly control any other firm. MMSA sells macadamia nuts and macadamia-based products. The macadamia-based products sold by MMSA includes: (i) Macadamia Nuts-in-Shell; (ii) Macadamia Nut Kernel (wholes, halves, shavings and bits & pieces); (iii) Macadamia Nut Oil.

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 significant public interest concerns.

1.12 Swanvest 120 Proprietary Limited (“Swanvest”)/ Mirabilis Holdings Proprietary Limited (“Mirabilis Holdco”)

The Commission has approved the proposed transaction whereby Swanvest intends to acquire Mirabilis Holdco without conditions.

Swanvest is active in the broader financial services sector through the provision of long and short-term insurance products to clients. Swanvest provides short-term insurance underwriting management administration services (“UMA Services”) through, amongst others, the Target Firm.

The Target Firm provides UMA Services exclusively to the Acquiring Group pre-merger.

The Commission found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in the markets considered.

There are no other public interest concerns arising from the proposed merger.

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

2.1 Kamlesh Chagan on behalf of Blazecor 206 CC T/A American Clothing vs Nike South Africa; Anonymous vs Nike South Africa and Dirk Klopper on behalf of Kloppers vs Nike South Africa

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

2.2 Mr Lionel Salmon of Normeco (Pty) Ltd vs Ford Motor Company Southern Africa (Pty) Ltd

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

2.3 Mr Lyster Harris on behalf of The South African Auto Repairers Association (SAARAA) vs Telesure Insurance Company

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

2.4 Zareena Jacobs of TCJ Autobody vs King Price Insurance, ABSA Insurance, & Standard Bank Insurance

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

2.5 Victor Radebe on behalf of Mtimkhulu Cabonkhala Trust vs Mooikloof Heights Estate Homeowners Association (HOA)

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

2.6 Pension Protect NPC vs Public Investment Corporation Limited (PIC)

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

2.7 Norman Grove vs CE Mobility

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

2.8 Catherine Van Der Merwe vs John Labesa

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

2.9 Petlo James Mokwena vs Auto Pedigree Florida Glen

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

2.10 Tebogo Moloto vs Vodacom South Africa

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/WhatsApp @084 743 0000

[ENDS]

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