



competition commission
south africa

Weekly Media Statement

For Immediate Release

04 August 2021

The Competition Commission of South Africa (CCSA) held its ordinary weekly meeting on Tuesday 03 August 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) as amended. These matters include but are not limited to complaints, mergers and acquisitions.

LATEST DECISIONS BY THE COMPETITION COMMISSION

1.1 Maitlantic 10 (Pty) Ltd (Maitlantic) / Emira Property Fund Limited (Emira)

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

Maitlantic forms part of an acquiring group that conducts retail, office, industrial and residential property activities throughout South Africa.

Emira and its subsidiaries are also active in light industrial and office property activities.

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 McCarthy (Pty) Ltd (McCarthy) / Melrose Motor Investments (Pty) Ltd (MMI)

The Commission has recommended that the Tribunal approve the proposed transaction whereby McCarthy intends to acquire MMI, without conditions.

McCarthy and is wholly controlled by Bidvest Group Limited (“Bidvest”), a public company listed on the Johannesburg Stock Exchange. No single shareholder directly or indirectly controls Bidvest.

Bidvest is a diversified services company that is active in the markets for consumer and industrial products, electrical products, financial services, freight management, office and print solutions, outsourced hard and soft services, travel and aviation services, and automotive retail. Of relevance to the proposed transaction are the activities of McCarthy.

McCarthy is involved in the sale of new and used passenger and commercial vehicles through its various motor dealerships located throughout South Africa. McCarthy further provides ancillary workshop services such as vehicle servicing, repairs and parts sales in addition to acting as an intermediary in the provision of finance and insurance support services to its customers. Lastly, McCarthy operates a vehicle auctioneering business. Of relevance to the proposed transaction are the various dealership owned by McCarthy in Gauteng; which amount to approximately 40 dealerships.

MMI is involved in the business of automotive retailing, specialising in the sale of new and used passenger and light commercial vehicles through its dealership located in Melrose, Johannesburg (Melrose Nissan). In particular, MMI supplies the following: (i) the sale of new Nissan and Datsun passenger vehicles; (ii) the sale of light commercial vehicles; (iii) the sale of used vehicles (across various manufacturers); (iv) the provision of after-sale services (i.e., servicing and repairs); and (v) the sale of after-sale parts and accessories. MMI further acts as an intermediary in the provision of finance and insurance support services to its customers.

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.

1.3 Daimler Truck Holding AG (DT Holding AG) / Daimler Trucks AG (DTAG)

The Commission has recommended that the Tribunal approve the proposed transaction whereby DT Holding AG intends to acquire DTAG, without conditions.

DT Holding AG is a newly established entity with no activities.

DTAG operates the Trucks & Buses Business within the Daimler Group, which focusses on the manufacturing and sale of trucks and buses in various jurisdictions. DTAG has more than 40 production facilities that are located in North America, Europe, Asia and Latin America. In South Africa, DTAG controls various firms whose activities are closely linked and/or ancillary to Daimler's Trucks & Buses Business.

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 Mortimer Motors (Pty) Ltd (Mortimer) and Mortimer Thesele Group (Pty) Ltd (MTG) / Sandton South Motors (Pty) Ltd (Sandton South)

The Commission has unconditionally approved the proposed merger whereby Mortimer and MTG intends to acquire the business Sandton South.

Mortimer operates multi franchise motor vehicle dealerships predominantly in KwaZulu Natal, Free State and Eastern Cape. Currently, Mortimer operates Toyota, Ford and Mahindra, Mazda, and Nissan, Hyundai and UD Trucks dealerships. These dealerships sell new and used

passenger vehicles and light commercial vehicles as well as providing maintenance, parts and accessories. Mortimer also owns retail fuel stations located in Estcourt, Kokstad and Newcastle in the KwaZulu Natal province. MTG owns a single franchised motor vehicle dealership in Dundee, KwaZulu-Natal province.

Sandton South is a South African private firm, whose business is conducted from premises situated in Hyde Park, Sandton, Gauteng. Hyde Park Toyota sells new and used passenger and light commercial Toyota vehicles and provides regular servicing and general maintenance services in relation to such vehicles.

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 TFC Operations (Pty) Ltd (TFC) / The Engen False Bay One business, goodwill and certain assets of Helder Wave Enterprises CC (Helder Wave)

The Commission has unconditionally approved the proposed merger whereby TFC intends to acquire the Engen False Bay 1 Stop business, goodwill and certain assets (“Transferred Firm”) currently controlled by Helder Wave.

TFC, Kaap Agri Bedryf, Kaap Agri and its subsidiaries will collectively be referred to as the Kaap Agri Group. The Kaap Agri Group is a retail services group that supplies a variety of products and services mainly to customers operating in the agricultural sector, but also to the general public. Relevant to the proposed transaction are Kaap Agri Group’s activities relating to the retail of fuel in South Africa. The Kaap Agri Group delivers fuel directly to customers on their farms from three fuel depots, situated at Moorreesburg and Worcester in the Western Cape Province and Keimoes in the Northern Cape Province; and owns a number of 43 fuel stations in the Western Cape, Northern Cape, Gauteng, Limpopo, North West and Eastern Cape provinces.

The Transferred Firm is a fuel retail station on the N2 outbound from Cape Town and located approximately 10km before Somerset West under the brand "Engen False Bay 1 Stop" where it supplies petrol and diesel products to the general public. On the same premises, the Transferred Firm also operates: a Quickshop convenience store, a Woolworths Foodstop; a Foodvenience; and a Wimpy quick-service restaurant.

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 Main Street 1522 (Pty) Ltd t/a TradeOn / Davy Foods (Pty) Ltd (Davy Foods)

The Commission has unconditionally approved the proposed merger whereby Main Street 1522 trading as TradeOn intends to acquire Davy Foods.

TradeOn does not control any firms. TradeOn is a KFC franchisee business which owns and operates several KFC retail outlets situated in the North-West, Northern Cape and Western Cape provinces.

Davy Foods is a KFC franchisee business which owns and operates a few KFC retail outlets located in Secunda, Standerton and Hendrina in Mpumalanga province.

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.

1.7 Mergon Foundation NPC (Mergon Foundation) / King Price Financial Services (Pty) Ltd (King Price)

The Commission has unconditionally approved the proposed merger whereby Mergon Foundation intends to acquire King Price.

Mergon Foundation and all the firms controlling it directly or indirectly and all the firms that it controls will be referred to as the Acquiring Group. The Acquiring Group is active in, amongst others:

- a) Provision of turnkey solutions to the submarine telecommunication. Mertech Marine recovers out of service cables, dismantles and recycles cables and offers freighting, route survey, relay and related submarine services.
- b) Develops, owns, and operates green-field and refurbished independent power plants (IPPs) in the range of 5MW to 50MW across Southern Africa
- c) Operates as a mobile virtual network enabler (MVNE) providing network infrastructure and related services, such as business support systems, administration, and operations support systems to mobile virtual network operators (MVNO).
- d) The Acquiring Group through InfoTech which operates as a technology and software business.

King Price controls several companies. King Price and all the firms that it controls directly or indirectly will be referred to as the Target Group. The Target Group is a short-term and long-term insurer as well as an insurance broker. The Target Group provides specialised cover for niche risks of engineering contracts, plants and works encounter. The Target Group has a café that provides coffee, all-day breakfast, lunch and a 'Skybar' function venue that hosts up to 120 people.

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.

1.8 Clayton, Dubilier & Rice Fund XI, L.P. (CD&R Fund XI) / Multi-Color Corporation (MCC)

The Commission has unconditionally approved the proposed merger whereby CD&R Fund XI intends to acquire MCC.

CD&R Fund XI, CD&R Holdings and CD&R and all the firms directly or indirectly controlled by them are referred to as the 'CD&R Group'. CD&R Group is a private equity investment firm based in the USA, which acts as a lead equity investor in management buyouts, strategic minority equity investments and other strategic investments. It makes such investments through several different funds ("the CD&R Funds"). The CD&R Funds control several portfolio companies which are active in a variety of economic sectors such as consumer and retail, industrial, digital and business services.

MCC and all the firms it directly or indirectly controls are referred to as the Target Group or MCC. The Target Group, MCC, is active in the manufacture and supply of labels to commercial customers across a range of sectors, including home & personal care, food and beverages, healthcare, specialty, consumer durables and wine & spirits. MCC has operations in 76 locations across 28 countries (in North America, Latin America, Europe, Middle east, Africa, and Asia Pacific). MCC uses all types of printing processes in its label manufacturing activities and supplies customers across several end-use segments. MCC provides a wide range of products for the packaging needs of its customers and is a producer and supplier of (i) pressure sensitive labels; (ii) in-mold labels; (iii) cut and stack labels; (iv) roll fed labels; (v) shrink sleeve labels (vi) heat transfer labels; and (vii) aluminium labels.

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 Quinton Manolito Hendricks v Adra Council for Debt Collectors (Nicol, Davis & Associates)

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

2.2 Hlatshwayo Bongani Edward v Steve Tshwete Local Municipality

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

2.3 Leah Joubert on behalf of LJ Remotes and Batteries (Pty) Ltd v Johan Lessing, National Sales Manager at Centurion Systems

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

2.4 The South African Breweries Proprietary Limited v Distell Limited and Heineken South Africa (RF) Proprietary Limited

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

2.5 Mr DDG Isaacs v Telkom

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

2.6 Richard Neville Collett v ABSA Bank, Standard Bank, First National Bank, and Nedbank

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

3. Withdrawal of complaints: The Commission has taken a decision to accept the withdrawal of the following complaints

3.1 Kantako Eden Moleko on behalf of Kaeden Enterprises (Pty) Ltd v ATM Solutions South Africa

The Commission has taken a decision to accept the withdrawal of this complaint.

3.2 Mieta Matilda Francis v ATM Solutions South Africa

The Commission has taken a decision to accept the withdrawal of this complaint.

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

[ENDS]

Issued by:

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