



Media Statement

For Immediate Release

24 October 2024

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday, 22 October 2024, 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.

1. MERGERS AND ACQUISITIONS

1.1 Bidvest Branded Products Holdings (Pty) Ltd (“Bidvest BP”) / Buena Vista Trading 82 (Pty) Ltd t/a Spec Systems (“Spec Systems”)

The Commission has recommended that the Competition Tribunal (“Tribunal”) approves the proposed transaction whereby Bidvest BP intends to acquire Spec Systems, without conditions.

The primary acquiring firm, Bidvest BP, is wholly owned by The Bidvest Group Limited (“Bidvest”), a public company listed on the Johannesburg Stock Exchange (JSE). As such, Bidvest is not controlled by any person(s) or firm(s). Bidvest BP controls several firms which include the following: Bidvest Office (Pty) Ltd, Bidvest Paperplus (Pty) Ltd, The Printer Distribution Company (Pty) Ltd (“TPDC”), Lithotech Manufacturing Pinetown (Pty) Ltd, and Lamobyte (Pty) Ltd. Bidvest and all the firms directly or indirectly controlled by Bidvest will be collectively referred to as the “Acquiring Group”.

The Acquiring Group is a services, trading and distribution company. Relevant to the proposed transaction, the Acquiring Group supplies ruggedised mobile computers, barcode scanners, printers and print technology, self-adhesive labels and thermal ribbons.

The primary target firm, Spec Systems, is controlled by Coro Investments (Pty) Ltd (“Coro Investments”). Spec Systems does not control any firm/s.

Spec Systems provides enterprise printing and mobility technologies and solutions. Spec Systems has operations in Johannesburg, Cape Town and Durban. Relevant to the proposed transaction, Spec Systems supplies self-adhesive labels, thermal transfer ribbons, barcode scanners, ruggedised (i.e., hard-wearing) mobile computers, labels, point of sale printers, portable label printers, thermal labels and related consumables and software.

The Commission noted that the Acquiring Firm has made several acquisitions in the relevant product markets over the years. However, taking into account previous acquisitions, the Commission found that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

1.2 Slip Knot Investments 777 Proprietary Limited (“Acquiring Firm”) / Bestinver Company South Africa Proprietary Limited (“Bestinver”), in respect of the rental enterprise known as 8 Riebeek Street and the leasehold property known as Thibault Square and Pavilion (“Target Properties”)

The Commission has recommended that the Tribunal approves the proposed transaction whereby the Acquiring Firm intends to acquire the Target Properties, without conditions.

The Acquiring Firm is controlled by SKG Properties Proprietary Limited (“SKG Properties”). SKG Properties is wholly owned and controlled by a family trust. The Acquiring Firm, SKG Properties, all the firms they control as well as the firms controlling them will be collectively referred to as the “Acquiring Group”.

SKG Properties has interests in several firms in South Africa, including in the property sector. The Acquiring Group’s business activities are primarily focused on the development and leasing of commercial, industrial and retail investment properties, including the management of the properties. The Acquiring Group also provides construction services and housing developments. Of relevance to the proposed transaction is the Acquiring Group’s property portfolio in the Western Cape.

The Target Properties consist of the rental enterprise known as 8 Riebeek Street and the leasehold property known as Thibault Square and Pavilion situated in Cape Town, in the Western Cape. The Target Properties comprise B-grade offices, a retail local convenience centre and a standalone retail unit.

Bestinver is involved in the letting of immovable properties. Of relevance to the proposed transaction is its property portfolio in the Western Cape area.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

1.3 Greenpath Recycling (Pty) Ltd (“Greenpath”) / The Versapak business of Mpact Operations (Pty) Ltd (“Versapak”)

The Commission has approved the proposed transaction whereby Greenpath intends to acquire Versapak, with conditions.

The primary acquiring firm, Greenpath, is wholly owned by Sinica Manufacturing (Pty) Ltd (“Sinica”). Sinica is controlled by an individual. The individual has a controlling shareholding in Ouropack Distribution (Pty) Ltd (“Ouropack”).

Greenpath is a special purpose vehicle that has been established for the purposes of this transaction and does not directly or indirectly control any firms. Greenpath, and all the firms controlled by the individual are collectively referred to as the “Sinica Group”.

The Sinica Group manufactures and supplies a range of plastic packaging products, including polystyrene (“styrene”) meal boxes and trays, polyvinyl chloride film (“vinyl”) and polyamide ethylene vinyl alcohol vacuum bags. Sinica Group’s products are manufactured at a single facility located in Benoni, Gauteng. Sinica Group’s products are used by a variety of businesses in the South African food sector, including retailers, supermarkets, restaurants, fast-food chains, butcheries and food producers (hereafter collectively referred to as “end-customers”).

Versapak is an unincorporated division of Mpact Operations (Pty) Ltd (“MpactOps”). MpactOps is ultimately a solely controlled subsidiary of Mpact Limited, a JSE listed entity which is not controlled by any firm. As Versapak is an unincorporated division of MpactOps, it does not have any shareholders.

Versapak manufactures and supplies a range of branded and unbranded plastic packaging products, including polyethylene terephthalate (“PET”) containers and trays, styrene packaging and vinyl. It operates one manufacturing plant in Roodekop (Gauteng) and a second one in Paarl, Western Cape. Versapak products are used by a variety of end-customers in the fast-moving consumer goods, fast food, fresh food, beverage and agricultural sectors.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market.

To address public interest concerns, the Acquiring Group has committed to significant capital expenditure over four years from the merger implementation date to maintain and improve the operations of the merged entity. In addition, the merged entity shall not retrench any employees in South Africa as a result of the merger for a period of two years from the merger implementation date.

1.4 Mwelase Group of Companies (Pty) Ltd (“Mwelase”) / Rietvlei Mining Company (Pty) Ltd (“RMC”)

The Commission has approved the proposed transaction whereby Mwelase intends to acquire RMC, without conditions.

The primary acquiring firm, Mwelase, is controlled by Mwelase Investment Holdings (Pty) Ltd (“MIH”). Mwelase controls the following firms: (i) Mwelase Opencast Mining Services (Pty) Ltd; (ii) Mlindeli Mining Company (Pty) Ltd; (iii) Roodekrans Nature Reserve (Pty) Ltd; and (iv) Bergvil Water (Pty) Ltd. Mwelase, all the firms directly and indirectly controlled by it, and all the firms directly and indirectly controlling it, will hereinafter, collectively be referred to as the “Acquiring Group”.

The Acquiring Group has interests in mining and prospecting rights. It also has an interest in a contract mining company that currently undertakes mining activities for RMC. Furthermore, the Acquiring Group markets and sells the coal from Rietvlei Mine.

The primary target firm, RMC, is controlled by Butsanani Energy Investment Holdings (Pty) Ltd (“Butsanani Energy”). RMC and all the firms directly and indirectly controlling it, will hereinafter, collectively be referred to as the “Target Group”.

The Target Group, through RMC, is a coal mining company in Mpumalanga, comprising a mining right, assets and liabilities relating to its coal mining operations.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

1.5 City of Cape Town (“Acquiring Firm”) / Immovable property and rental enterprise known as “100 Fairway Close” (“Target Property”)

The Commission has approved the proposed transaction whereby the Acquiring Firm intends to acquire the Target Property from Spear REIT Limited, without conditions.

The Acquiring Firm is a local authority established in terms of section 151 of the Constitution of the Republic of South Africa. The Acquiring Firm controls Cape Town Stadium (RF) SOC Ltd and Cape Town International Convention Centre (RF) SOC Ltd. The Acquiring Firm and the firms it controls are collectively referred to as the “Acquiring Group”.

The Acquiring Firm provides public services for the benefit of the public in the City of Cape Town, including the provision of basic municipal services such as water, sanitation, electricity and refuse collection. The Acquiring Firm also owns various types of properties which it leases out to third parties.

The Target Property comprises an A-grade office building. The Target Property is wholly owned by Spear REIT Limited (“Seller”). The Seller is a public company listed on the JSE and is not controlled by any firm.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

1.6 Global Legacy Properties (Pty) Ltd (“Global”) / Seesa Properties (Pty) Ltd (“Seesa”) in relation to eight office property letting enterprises (“Target Properties”)

The Commission has approved the proposed transaction whereby Global intends to acquire the Target Properties, without conditions.

The primary acquiring firm, Global, is ultimately controlled by a family trust whose beneficiaries are all historically disadvantaged persons as contemplated by section 3(2) of the Competition Act No. 89 of 1998 (as amended).

The Acquiring Group’s activities include investments in various coal mining projects and the conducting of office property activities.

The primary target firm is the Target Properties, which are office properties currently utilised as Sessa’s business premises.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

1.7 LSF12 Crown Global HoldCo, Ltd (“Crown Global”)/ Carrier Fire & Security B.V. (“Carrier Fire & Security”)

The Commission has approved the proposed transaction whereby Crown Global intends to acquire Carrier Fire & Security, without conditions.

The primary acquiring firm is Crown Global, a limited company incorporated in Jersey. Crown Global is controlled by Lone Star Global Acquisitions, Ltd (“Lone Star”). Lone Star is not controlled by any firms and is incorporated in the United States of America. Lone Star controls several firms in South Africa.

In South Africa, the Acquiring Group’s subsidiaries are involved in the wholesale of chemicals; supply of fertilisers; industrial equipment and food manufacturing equipment; label printing; and real estate broking.

The primary target firm is Carrier Fire & Security, a company incorporated in accordance with the laws of the Kingdom of the Netherlands. In South Africa, Carrier Fire & Security controls several firms involved in

the supply of residential and commercial fire control and protection systems (such as sprinklers, fire suppressor systems and fire and smoke detectors) supplied under (amongst others) the Kidde, Edwards, GST, Gloria and EMS brands; and security products, including alarm systems, network surveillance systems, access card readers and access control systems supplied under the Aritech brand.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

1.8 Evergreen Property Investments (Pty) Ltd (“EPI”)/ VDV Evergreen Holdings Three (Pty) Ltd (“VDVEH3”)

The Commission has approved the proposed transaction whereby EPI intends to acquire VDVEH3 from Val de Vie Developments (Pty) Ltd, without conditions.

The primary acquiring firm, EPI, is a wholly owned subsidiary of Evergreen Retirement Holdings (Pty) Ltd (“ERH”). ERH is jointly controlled by Amdec Investments Proprietary Limited (“Amdec”) and PSG Alpha Investments (Pty) Ltd (“PSG Alpha”). PSG Alpha and Amdec are ultimately controlled by various family trusts. EPI, all the firms controlling it, and all the firms controlled by those firms are collectively referred to as the "Acquiring Group".

Of relevance to this merger assessment, the Acquiring Group owns nine retirement villages in South Africa.

The primary target firm, VDVEH3, owns the Target Property. The Target Property is vacant land. However, post-merger, the Target Property will be developed into a retirement village.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market. The proposed transaction does not raise significant public interest concerns.

2. COMPLAINTS (NON-REFERRALS)

2.1 Tinyiko Siwela v ABLAND and Shoprite Checkers

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

2.2 Augustine Ntshela v First Help Towing AKA extortionist

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

2.3 Graham Taylor, Spokesperson: Markman Business Forum c/o Markman Industrial Township, Gqeberha v Coega Development Corporation

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

2.4 Fanyana Mkondwane v Volcano Campus Loans

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

2.5 Siyeriwa Rex Nokeri v C Track

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

2.6 Freddie Erens v Uber Eats

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

2.7 Daniel James Letlape v lwyze car insurance

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

[ENDS]

Issued by:

Siyabulela Makunga, Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 067 421 9883

Email: SiyabulelaM@compcom.co.za

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