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**OUTCOME OF TRIBUNAL ROLL FOR WEDNESDAY, 26 JULY, 2017**

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| --- | --- | --- | --- |
| Type of matter | Parties involved | Competition Commission’s recommendation to Tribunal | Tribunal decision |
| Large merger | EOH Industrial Technologies (Pty) Ltd And Powertech System Integrators (Pty) Ltd | Approve without conditions | Approved without conditions |
| Large merger | Jesiflex (Pty) Ltd And Kevro Holdings (Pty) Ltd | Approve without conditions | Approved without conditions |
| Large merger | Brookfield Asset Management Inc. And Terraform Global Inc. | Approve without conditions | Approved without conditions |
| Consent agreement | Competition Commission And SBS Household Appliances t/a SMEG (Pty) Ltd | Confirmation of settlement agreement | Awaiting further documents |

**JSE-listed EOH Industrial Technologies to acquire Powertech System Integrators**

The Tribunal has approved a large merger between EOH Industrial Technologies Proprietary Limited (“EOH Industrial Tech”) and certain business of Powertech System Integrators Proprietary Limited (Powertech). The merger has been approved without conditions.

EOH Industrial Tech is wholly controlled by JSE-listed EOH Holdings limited (“EOH”), a technology solutions provider. EOH’s key business areas are IT services, software, IT infrastructure, industrial technologies and business process outsourcing.

Powertech is controlled by Power Technologies (Pty) Ltd, which is, in turn, ultimately controlled by Allied Electronics Corporation Ltd, a firm listed on the JSE. The Businesses forming the part of the transaction before the Tribunal are the businesses active in the markets for engineering information systems, power infrastructure management and energy management.

**Merger relating to supply of promotional and branded products market approved**

The merger between Jesiflex (Pty) Ltd (Jesiflex), a newly formed acquisition vehicle established for the purposes of the proposed transaction and Kevro Holdings has been approved without conditions.

The target company Kevro is a corporate and promotional product supplier in Africa. Kevro is engaged in the wholesale supply of various branded promotional products to distributors and re-sellers who on sell these products to customers predominantly in the corporate sector.

It offers a range of clothing and gifting products, as well as branding services. Its products include branded apparel, work wear, chef and sport wear, head wear, gifting and bags, as well as display items such as banners and flags.

The merger will see Jesiflex acquire control of Kevro.

**Merger relating to solar and wind power market**

The Tribunal has approved a merger between Brookfield Asset Management Inc. (Brookfield) and TerraForm Global Inc. (TerraForm).

Brookfield, a Canadian firm, is listed on the New York, Toronto and Euronext Stock Exchanges and is not controlled by any firm. Brookfield is a global asset management company which owns and operated assets on behalf of shareholders and clients with a focus on property, renewable energy, infrastructure and private equity. It is active in South Africa through its control of GrafTech SA.

TerraForm has interests in firms that own and operate solar and wind power plants located in different countries across the globe, including South Africa.

Post-merger Brookfield will exercise sole control over Terraform.

**Tribunal awaits further documents in connection with consent agreement involving home appliance company SBS Household Appliances t/a SMEG (“Smeg”)**

The Tribunal has yet to deliver a decision on a consent agreement involving Smeg for minimum price maintenance. The Tribunal has requested additional information regarding certain figures and will consider the agreement after it has received the information.

According to the complaint received by the Commission on 8 June 2015 Save Hardware Wholesalers set the resale price of a gas stove supplied by Smeg at R14 799.00 while another retailer customer set its resale price of the same stove at R17 999. The discrepancy in price came to Smeg’s attention and it then instructed the complainant to refrain from selling the stoves at a price below the recommended price. When the client refused to adhere to Smeg’s directive to increase its price, Smeg terminated the supply of products to that retailer.

Smeg has admitted to engaging in the practice of minimum resale price maintenance in contravention of section 5(2) of the Act. The Commission has recommended an administrative penalty of R100 000 and conditions including that Smeg continues to supply products to the complainant and desist in anti-competitive conduct, as well as implementing a compliance programme, reporting back to the Tribunal within 60 days of the date of confirmation of agreement.

The Tribunal will release its decision in due course.

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