**OUTCOME OF TRIBUNAL HEARING FOR WEDNESDAY, 30 NOVEMBER 2016**

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| Type of matter | Parties involved | Competition Commission’s recommendation to Tribunal | Tribunal decision |
| Large merger | African Rainbow Capital (Pty) Ltd And Global Asset Management Limited | Approval without conditions | Approval without conditions |
| Large merger | EOH Mthombo (Pty) Ltd And Mars Holdings (Pty) Ltd | Approval without conditions | Approval without conditions |
| Large merger | Stellar Capital Partners Limited And Prescient Holdings (Pty) Ltd | Approval without conditions | Approval with conditions |
| Large merger | Imperial Holdings Limited And Itumele Bus Lines (Pty) Ltd | Approval with conditions | Approval with conditions |
| Large merger | Growthpoint Healthcare Property Holdings Limited And Vukile Property Fund Limited in Relation to the Louis Liepoldt Private Hospital Property | Approval without conditions | Approval without conditions |
| Settlement agreement | Competition Commission And Raite security Services and Consulting CC | Settlement agreement | Agreement confirmed |
| Settlement agreement | Competition Commission And Todays Destiny Trading and Project 81 CC | Settlement agreement | Agreement confirmed |

**Merger between African Rainbow Capital and Global Asset Management approved**

The Tribunal has approved the merger of financial services company African Rainbow Capital and Global Asset Management, a firm active in the alternative energy business and rental of forklifts.

African Rainbow Capital, a wholly owned subsidiary of Ubunto-Botho Investments (Pty) Ltd, is a diversified financial services investment company active in short-term insurance brokering, mortgage originator and financial services, as well as asset management.

Target firm Global Asset Management is an investment holding company, and is active though its subsidiaries, GAM Industrial, GAM New Energy and GAM Business Solutions, in the investment and management of sustainable growth of alternative energy business, which includes rubber recycling and energy efficiency projects, as well as the leasing of Linde forklift trucks.

ARC intends to acquire 23.6% of the shares of GAM through a subscription of new shares in GAM, 46% of shares in Enviroprotek, an indirect subsidiary of GAM. The majority of the voting rights in the pool relating to GAM in which certain other shareholders are participating and which shareholders together with ARC hold 50.67% of the total shares in GAM.

**Merger between EOH Mthombo and Mars Holdings approved**

The Tribunal has approved the merger of EOH Mthombo, wholly controlled by JSE-listed EOH Holdings, and Mars Holding, which provides traffic regulation and enforcement. Post-merger EOH Mthombo will control Mars Holdings.

EOH is an investment and management company which provides consulting, technology and outsourcing services.

It is active in the developing business and the provision of IT services which includes: network solutions, hosting services, server support services, desktop support services, telephone services and procurement services.

Mars, wholly owns Syntell (Pty) Ltd, which in turn controls seven firms. Mars provides services and solutions used in traffic regulation and enforcement. It provides an automated online interaction, revenue collection system and prepaid vending system used by municipalities and utilities.

Some aspects of the agreement are still to be finalised, but they are apparently not material to the agreement.

**Stellar Capital Partners can merge with target Prescient Holdings**

Specialised financial services solution company Stellar Capital will acquire 60% of issued share capital of Prescient Holdings, such that Stellar Capital will control Prescient Holdings, after the Tribunal approved the merger subject to conditions.

The remaining 40% issued share capital will be held by Prescient Ltd management.

Simultaneously, with this transaction is a BEE transaction involving Stellar and Prescient Empowerment Trust (PET), wherein PET will acquire 10.1% of the entire issued shares in Prescient Holdings. This means that depending on the outcome of the BEE transaction, Stellar may only acquire 49.9%.

The parties were seeking approval of both sole and alternatively joint control should the BEE transaction succeed.

Stellar provides financial service solutions to firms in the information, communication, telecommunication and automotive repair industry. It also offers asset management services to institutional investors and corporate advisory services.

Prescient Holdings is a financial services firm that provides investment management, fund services and administration, stockbroking and wealth management, as well as retail and institutional retirement and insurance products.

The target group controls various firms such as Prescient Investment Management, Prescient Fund Services and Prescient Life.

The merger is expected to also lead to the creation of a new Black Economic Empowerment deal involving Prescient Empowerment Trust and the acquisition of shares.

The merging parties are required to inform the Commission no later than 31 January, 2017 of implementation of this second leg of the deal.

**Imperial Holdings Limited targets Itumele Bus Line (trading as Interstate)**

The Tribunal has approved, with conditions, the merger between Imperial Holdings and Interstate.

Imperial Holdings is active in the provision of consumer and industrial logistics services, as well as motor vehicle retail and vehicle related financial products and services. It provides complete logistics solutions nationally including road freight and transport, managed logistics warehousing and distribution, and supply chain integration.

Imperial Holdings also operates car rental brands Tempest and Europcar in South Africa, as well as Auto Pedigree, the largest pre-owned vehicle dealer network.

Target company, Interstate, is a commuter bus operation in the Free State Province, which operates on routes between Bloemfontein, Botshabelo, Thaba Nchu and outlying areas, as well as Brandtfort and Soutpan. Interstate owns 255 buses and undertakes 32000 trips over a month.

A number of conditions have been added to the merger following negotiations at the hearing – see attachment for the deal regarding restraint of trade and restraint regarding operation in geographical areas.

Imperial said the barriers to entry in the bus sector was low and any employee could leave and start a bus company in the same province or nearby provinces.

**Growthpoint Healthcare Property to acquire a hospital property from Vukile Property Fund**

Growthpoint Healthcare is to acquire Louis Leipoldt Private Hospital Property from Vukile Property Fund. The merger does not include any licence or any direct investment in the hospital.

Growthpoint controls various firms such as Growth Point Building Managers, ABSEQ Properties, Growthpoint Healthcare Property Management Company.

Growthpoint owns and manages lettable retail, residential, office and hospital properties in Gauteng, Kwa-Zulu Natal, the Eastern Cape and Western Cape. Growthpoint presently owns three hospital properties, two located in Kwa-Zulu Natal and one located in Goodwood, Cape Town.

The target Hospital Property is located in Belville, Cape Town and is owned by property company Vukile.

It was said the merger followed an international trend for hospitals to become operators and tenants, rather than owners of the property on which they were based.

**Security firms Raite Security Services and Consulting CC and Today’s Destiny Trading admit to cartel activity**

The Tribunal confirmed the settlement agreements of Today’s Destiny Security Services and Consulting CC and Raite Security Services – both active in the security sector.

Raite and Destiny colluded with regards to a tender issued by company Geoscience. The investigation was initiated by the Commission after it received a complaint by Geoscience. Geoscience had noticed that the respondents priced in exactly the same way, with both companies pricing for three years without asking for price escalation. Their contingency documents were also the same and the companies were sharing resources such as vehicles.

Raite, the larger of the two companies is to pay a settlement of R1,593 820 and Destiny has agreed to pay R50000. Both administrative penalties amount to 2.1% of their annual turnover for the financial year ended February 2016. The penalties relate to the bid rigging charges.

The Commission said took into consideration that this was a first offence for the companies, their cooperation and the fact that they were both small companies when applying the administrative penalty.

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