



competitiontribunal
SOUTH AFRICA

**COMPETITION TRIBUNAL
REPUBLIC OF SOUTH AFRICA**

Case No.: LM177Mar25

In the matter between:

Old Mutual Corporate Ventures (Pty) Ltd

Primary Acquiring Firm

and

Fairheads Benefit Services (Pty) Ltd and
Fairheads Financial Services (Pty) Ltd

Primary Target Firms

Panel	:	AW Wessels (Presiding Member)
	:	A Ndoni (Tribunal Member)
	:	I Valodia (Tribunal Member)
Heard on	:	8 May 2025
Order issued on	:	8 May 2025
Reasons issued on	:	27 May 2025

REASONS FOR DECISION

Approval

- [1] On 8 May 2025, the Competition Tribunal (“Tribunal”) unconditionally approved a large merger transaction in terms of which Old Mutual Corporate Ventures (Pty) Ltd (“OMCV”) intends to acquire a 30% shareholding in Fairheads Benefit Services (Pty) Ltd (“FBS”) and Fairheads Financial Services (Pty) Ltd (“FFS”), respectively (“the Target Firms”).
- [2] Post-merger, OMCV and Vunani Capital (Pty) Ltd (“Vunani”) will jointly control the Target Firms.
- [3] The primary acquiring firm, OMCV, is ultimately owned by Old Mutual Limited (“OML”), a Johannesburg Stock Exchange-listed company that is not controlled

by any shareholder. OML, its controlling firms and its subsidiaries (the “Acquiring Group”), specialise in providing financial services. Relevant to the competition assessment of this transaction are their provision of pension, provident and retirement annuity fund services. We note that the Acquiring Group administers beneficiary and unclaimed benefit funds only from its retirement products, and it outsources some of this administration to the Target Firms.

- [4] The Target Firms are each 100% controlled by Vunani. Vunani is 100% controlled by Vunani Limited. The Target Firms operate nationally in the financial services sector. FBS administers beneficiary and unclaimed benefit funds, while FFS provides the services to locate and contact beneficiaries of beneficiary funds and unclaimed benefit funds (“Fund Administration Services”) to FBS.
- [5] The Competition Commission (“Commission”) found no horizontal overlap between the activities of the merging parties since the Acquiring Group does not provide any Fund Administration Services in competition with the Target Firms.
- [6] The Commission found that the proposed transaction results in a vertical overlap, given that beneficiary and/or unclaimed benefit funds emanating from the Acquiring Group’s retirement, pension and provident fund financial services may require the Target Firm’s Fund Administration Services.

Input foreclosure

- [7] The Commission assessed whether the merger would raise input foreclosure concerns if the merged entity ceased to provide Fund Administration Services to the Acquiring Group’s competitors. The Commission contacted the Acquiring Group’s competitors, such as ABSA, Momentum and Liberty, who indicated that there are several credible alternatives to the Target Firms, such as Fedgroup, Alexandra Forbes, Sanlam Trust, ICTS Tracing Services, The Data Factory, Trace Genie UBMV Gateway Benefit Tracing, ICTS, Trace Genie, Tracker Tracing and Teba Tracing.

Customer foreclosure

- [8] The Commission also assessed whether the merger would raise customer foreclosure concerns. The Commission found that other than the Target Firms, the Acquiring Group does not procure and Fund Administration Services from any third parties (i.e. competitors of the Target Firms).
- [9] Given the above, the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant market.
- [10] The merging parties have confirmed that the transaction will not result in any job losses.¹
- [11] OML has 43.53% Historically Disadvantaged Persons (“HDP”) ownership. Vunani has 68.71% HDP ownership. Pre-merger, the Target Firms thus each have 68.71% ownership by HDPs. Post-merger, the Target Firms will remain majority HDP controlled as Vunani will retain 70% of the shareholding in each of the Target Firms.
- [12] Given the above, the proposed transaction does not raise any public interest issues.
- [13] In the circumstances, we unconditionally approve the proposed transaction.

Mr Andreas Wessels

27 May 2025

Date

Ms Andiswa Ndoni and Prof Imraan Valodia concurring.

Tribunal Case Manager:	Moleboheng Mhlati
For the Merger Parties:	Roxanne Ker of Walkers Inc.
For the Commission	Tumiso Loate and Wiri Gumbie

¹ See paragraph 1.5, page 50 of the Record.