



## COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: 74/LM/Oct09

In the matter between:

**TP Hentiq 6128 (PT) LTD**  
And

**Acquiring Firm**

**PARTCORP HOLDINGS LTD**

**Target Firm**

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Panel : N Manoim (Presiding Member),  
A Wessels (Tribunal Member)  
and A Ndoni (Tribunal Member)  
Heard on : 09/12/2009  
Order issued on : 09/12/2009  
Reasons issued on : 22/12/2009

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### Reasons for Decision

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#### Approval

[1] On 9 December 2009 the Tribunal unconditionally approved the merger between the above mentioned parties. The reasons follow below.

#### The Transaction

[2] The primary acquiring firm is TP Hentiq 6128 ("Holdco"), a new shelf company which is wholly owned subsidiary of Corvest 6 (Pty) Ltd ("RMB

Corvest”), which is ultimately controlled by FirstRand Ltd. Holco wholly owns TP Hentiq 6129 (“Opco”) which is also a newly formed shelf company.

[3] The target firm is Partcorp Holdings Ltd (“Autozone”) which is controlled by Super Group Trading (Pty) Ltd, a wholly owned subsidiary of Super Group Ltd.

[4] The transaction has two steps to it. In the first step RMB Corvest will form Holdco in which it will hold 100% of the shares. Holdco will then acquire 100% of the shares in Autozone. After this acquisition the shareholding in Holdco will be distributed in the following manner: the current management of Autozone – 40.5%; Zico, a wholly owned subsidiary of Zungu Investments Company - 25.1%; Hilton Mer – 3.76%. RMB Corvest’s shareholding in Holdco will consequently be reduced to 30.64%. In the second step Opco which is wholly owned subsidiary of Holdco, will acquire the business and assets of Autozone.

[5] The parties seek approval for both steps of the transaction, and at the hearing they explained that the way in which the transaction is structured is the most efficient from a commercial perspective.

### **The Rationale**

[6] RMB Corvest considers the transaction to be a good investment and growth opportunity for its investor funds. Super Group seeks to dispose of Autozone since it does not consider it as its core business asset.

### **The parties and their activities**

[7] Holdco and Opco are new shelf companies that have previously not traded. FirstRand Group is an international specialist banking group active in a range of financial products and services. Zico and Zungu are BEE private equity and investment funds which hold minority shares in different firms active in a variety of services, but not in the type of services provided by Autozone, which is a wholesaler and retailer of replacement parts, and supplier to the automotive industry including, franchisees, independent spare shops, workshops, fleets and various outlets and chain stores in South Africa.

## **Competition Analysis**

[8] The proposed transaction does not raise any competition concerns as there is no horizontal overlap in the activities of the merging parties, and no vertical concerns arise.

[9] In light of the above, we find that the transaction would not substantially prevent or lessen competition in any of the relevant markets.

## **CONCLUSION**

[10] There are no significant public interest issues.

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**N Manóim**  
**A Wessels and A Ndoni concurring**

**22/12/2009**  
DATE

Tribunal Researcher: Londiwe Senona  
For the merging parties: Cliffe Dekker Hofmeyr  
For the Commission: M Matsimela