



Determination of the Competition Authority

Determination No. M/04/004 of the Competition Authority, dated 6th February, under Section 21 of the Competition Act, 2002

Notification No. M/04/004 – DaimlerChrysler AG proposed acquisition of Mitsubishi Fuso Truck & Bus Corporation

Introduction

1. On 20th January 2004, the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby DaimlerChrysler AG (“DaimlerChrysler”), would acquire sole control of Mitsubishi Fuso Truck & Bus Corporation (“MFTBC”) by acquiring 22% of the shares held by Mitsubishi Motor Corporation (“MMC”) in MFTBC, resulting in DaimlerChrysler owning 65% of the shares of MFTBC.

The Parties¹

2. DaimlerChrysler is incorporated under German Law. Its consolidated subsidiaries are active in the following business segments: Mercedes-Benz passenger and smart cars, Chrysler Group; Commercial vehicles, Financial Services, and Power Systems –diesel engines and other engines. DaimlerChrysler manufactures and sells, *inter alia*, the “Light Duty Truck” or gross vehicle weight (“GVW”) of approximately 6 tonnes product line. It has approximately [~~5~~] share of this market segment in Ireland.
3. DaimlerChrysler distributes its commercial vehicles in Ireland through Motor Distributors Limited, an independent distributor who works through a nationwide network of dealers.
4. MFTBC was created in 2003 as a joint venture company that is 43% owned by DaimlerChrysler and 42% owned by MMC. Other Mitsubishi Companies own the remaining 15%. MFTBC is active in the manufacture and sale of commercial vehicles and buses.
5. In Europe, MFTBC only manufactures and sells the “Canter” which constitutes its “Light Duty Truck” product line. MFTBC controls approximately [~~5~~] of this market segment in Ireland. MFTBC distributes its “Canter” in Ireland through MMC Commercial Limited. MFTBC does not manufacture or sell any of its buses or trucks in the “Medium Duty Truck” or GVW of 6-16 tonnes and “Heavy Duty Truck” or GVW greater than 16 tonnes product segments in Europe. There is no indication or reason to believe that MFTBC would potentially enter these market segments in Europe. Additionally, MFTBC does not sell any industrial engines in the Island of Ireland.

¹ Information describing the parties is obtained from the notification.



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Analysis

6. As there is minimal competitive overlap between the activities of the parties within the State, the transaction will not have a significant impact on competition within the State.

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Edward Henneberry
Member of the Competition Authority

6th February 2004