



Determination No. M/04/044 of the Competition Authority, dated 24th August 2004, under Section 21 of the Competition Act, 2002

Notification No. M/04/044 – Proposed acquisition by DCC plc of sole control of Millais Investments Limited.

Introduction

1. On 3rd August 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 DCC plc (“DCC”) would acquire sole control of Millais Investments Limited (“Millais”).

The Parties

2. DCC is an Irish company which sells, markets and distributes leading own and third party brands in the energy, IT, healthcare, food and beverage, environmental and supply chain management sectors. It currently holds 51.47% of the issued shares (with 50% of the voting share capital) of Millais.
3. Millais has two main business activities. Through its Allied Foods Limited subsidiary, it distributes and sells frozen and chilled foods to retail customers, such as supermarkets, and to food services customers, such as fast food chains. Another subsidiary, Allied Logistics Limited provides logistical services primarily to the frozen and chilled foods sector. Its Tallaght Cold Store Limited subsidiary provides cold storage facilities.

Analysis

4. The products involved in the proposed transaction fall within DCC’s food division. DCC’s Irish food business encompasses health and snack food as well as beverages such as wine, soft drinks and ground coffee. Apart from the interest it already holds in Millais Investments, it does not operate in the frozen and chilled food sector. Therefore the transaction, which is a move from joint to sole control, does not result in the accretion of market power and does not raise competition concerns.



The Competition Authority
An tÚdarás Iomaíochta

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 by DCC plc of Millais Investments Limited 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

24th August 2004