



Determination No. M/04/061 of the Competition Authority, 23rd November 2004, under Section 21 of the Competition Act, 2002

Notification No. M/04/061 – 3i/Danfoss Marine Systems

Introduction

1. On the 27th of October 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 3i Group would acquire 60.47% of the shares in Danfoss Marine Systems (“DMS”).

The Parties

2. 3i is a venture capital company listed on the London Stock Exchange that has investments in, *inter alia*, software and IT services, healthcare and childcare, real estate, textiles, frozen foods, general retail, security, building materials, engineering and machinery.
3. DMS is currently part of the Danfoss A/S group. Danfoss A/S is engaged in research, development and production, sales and service of mechanical and electronic components for several industries. Danfoss’ activities are divided into three main business areas: Refrigeration & Air Conditioning, Heating & Water and Motion Controls. Following the transaction, Danfoss A/S will have a minority shareholding of 26.18% in DMS. DMS specialises in the development, manufacture, sale and supply of management and control solutions for marine applications

Analysis

4. 3i Group plc has various business interests in the State, none of which are active in the industry in which DMS is active, either horizontally or by any form of vertical integration. The absence of overlap in the parties’ activities indicates that the proposed acquisition would not substantially lessen competition in any market for goods or services in the State.



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 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

23rd November 2004