

Determination No. M/05/002 of the Competition Authority, dated 17 February 2005, under Section 21 of the Competition Act, 2002

Notification No. M/05/002 – The proposal by Aramark Ireland Holdings Limited to acquire Campbell Catering Services

Introduction

- On 3 February 2005 the Competition Authority, in accordance with Section 18

 of the Competition Act, 2002 ("the Act") was notified, on a mandatory basis, of a proposal whereby Aramark Ireland Holdings Limited ("Aramark") would purchase 55% of the ordinary shares in Campbell Catering Services ("Campbell Catering") from Campbell Bewley Holding Limited ("Campbell Bewley"). The notified transaction is hereinafter described as "the proposed acquisition".
- 2. On 26 March 2004, the same parties notified the Authority of a proposed transaction whereby Aramark would acquire control of Campbell Catering by the purchase of an 18.33% shareholding. The Authority, by Merger Determination No. M/04/017, dated 26 April 2004, approved that proposed transaction, but Aramark and Campbell Catering subsequently agreed a revised deal, the subject of the current notification.

The Parties

- 3. Aramark is a subsidiary of Aramark Corporation, a US company operating internationally in the supply and management of services, including food and support services. Aramark currently holds 45% of the issued share capital of Campbell Catering but is not otherwise active in the State.
- 4. Campbell Catering is a joint venture between Aramark and Campbell Bewley. Campbell Bewley holds the remainder 55% shareholding in Campbell Catering and has sole control over the joint venture. Campbell Catering supplies contract catering and associated services to commercial clients, universities and hospitals, within the island of Ireland.

Analysis

6. The proposed transaction involves the acquisition by one parent, Aramark, of sole control of a joint venture, Campbell Catering, from the other parent, Campbell Bewley. Apart from its interest in Campbell Catering Services, Aramark is not active on the Irish market. Therefore the proposed acquisition does not raise competition concerns.



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 proposal by Aramark Ireland Holdings Limited to acquire sole control of Campbell Catering Services will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, the acquisition may be put into effect.

For the Competition Authority

Edward Henneberry Member of the Competition Authority