



## **DETERMINATION OF MERGER NOTIFICATION M/07/070 - 3i/INSPICIO**

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### **Section 21 of the Competition Act 2002**

#### **Proposed acquisition by 3i Group plc of Inspicio plc**

**Dated 17/01/08**

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### **Introduction**

1. On 21 December 2007, the Competition Authority ("the Authority"), in accordance with section 18(1)(a) of the Competition Act 2002 was notified on a mandatory basis of the proposed acquisition of Inspicio plc ("Inspicio"), by 3i Group plc ("3i"), by way of a public offer on the London Stock Exchange. The acquisition is being made by a subsidiary of 3i, Angus Newco Limited, a company formed for the purposes of the transaction.

### **The Undertakings Involved**

#### ***The Acquirer***

2. 3i is a venture capital and private equity investor which is listed on the London Stock Exchange and is the ultimate parent company of the companies within the 3i group. Its portfolio of companies consists of businesses in a wide range of industry sectors and services, including communication, engineering, food, healthcare, IT services, leisure, media, oil and gas, software and internet, support services and transport and logistics. For the financial year ended 31 March 2007, 3i's worldwide turnover was approximately €[ ]. In the State, where 3i carries on various activities in the above sectors, its estimated turnover was €[ ] over the same period.

#### ***The Target***

3. Inspicio was admitted to AIM (the London Stock Exchange's international market for smaller growing companies) in April 2005 as a newly incorporated company. Its operating businesses include Inspectorate, a testing and inspection services business, the Environmental Services Group, a provider of testing solutions, Eclipse Scientific Group, an independent analytical testing business, and Scientifics Limited, an independent analytical testing and consultancy business. Inspicio's testing and inspection businesses cover products in the oil and petroleum, metals and minerals, and food and agrochemical sectors.
4. Inspicio largely conducts its activities in Ireland through three subsidiaries acquired in 2006: Geotech Specialists Limited, which is engaged in ground investigations, and Independent Micro Labs Limited and Advanced Micro Services (Laboratories) Limited, both of which are engaged in scientific testing. For the financial year ended 31 December 2006, Inspicio's worldwide turnover was approximately stg£162.6

million (€238.5 million<sup>1</sup>). The turnover of its subsidiaries in the State during this period was estimated to be a figure in excess of €[ ] million.

### **Analysis**

5. There are no horizontal or vertical overlaps between the activities of the parties in the State. Therefore, the Authority considers that the proposed transaction does not raise competition concerns.

### **Determination**

6. The Competition Authority, in accordance with Section 21(2)(a) of the Competition Act 2002, has determined that, in its opinion, the result of the proposed acquisition by 3i Group plc of Inspicio plc 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**

Dr. Paul K. Gorecki  
Member of the Competition Authority

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<sup>1</sup> The period average exchange rate for 2006, as reported in the European Central Bank's Monthly Bulletin, was used to calculate the euro figure.