



DETERMINATION OF MERGER NOTIFICATION M/15/053 - WINDSOR MOTORS / IRISH BISON / AUTOLEASE FLEET

Section 21 of the Competition Act 2002

Proposed acquisition by

Dated 13 November 2015

Introduction

1. On 5 October 2015, in accordance with section 18(1) of the Competition Act 2002, as amended¹ (“the Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification whereby Irish Bison Limited (“Irish Bison”) would acquire joint control with Windsor Motors (“Windsor”) of Autolease Fleet Management Limited (“Autolease”).

The Proposed Transaction

2. In the notification to the Commission, the parties have stated that they are in advanced negotiations in respect of the proposed transaction. The parties have provided the Commission with a copy of a letter from James McCarthy [a director of Windsor Motors]² to Raymond Coyle of Irish Bison dated 8 July 2015 setting out the principal terms that have been agreed between the parties in relation to the proposed transaction.
3. Section 18(1A)(b)(ii) of the Act allows for parties to make a notification to the Commission where the parties have demonstrated to the Commission a good faith intention to conclude an agreement. In this case, the Commission considers that the undertakings involved have demonstrated to the Commission a good faith intention to conclude an agreement for the purposes of section 18(1A)(b)(ii) of the Act.
4. The proposed transaction will involve the acquisition by Irish Bison of 50% of the issued share capital of Autolease, with Windsor holding the other 50%.

The Undertakings Involved

Irish Bison

5. Irish Bison is a private limited company controlled by Raymond Coyle. While its main subsidiary, Ashbourne Visitor Centre Limited, operates the Tayto Park theme park and zoo in Co. Meath, Irish Bison and Raymond Coyle have interests in a number of different

¹ It should be noted that the Competition and Consumer Protection Act 2014 made a number of important amendments to the merger review regime set out in the Competition Act 2002.

² [...]



sectors such as soft drinks distribution and the manufacture of wafers and cones. Irish Bison also holds a [...] % shareholding in FE Finance Limited (“FE Finance”) which operates a car lease and finance business.

6. For the financial year ending 31 December 2014, Irish Bison’s worldwide turnover amounted to €[...], of which €[...] was generated within the State.

The Vendor - Windsor

7. Windsor is an Irish based motor company that operates 14 dealerships in counties Dublin and Galway selling the Nissan, Opel, Peugeot and Mazda car brands. As a full service provider in the motor sector, Windsor sells new and used cars and accessories, provides car servicing and repair services, arranges car finance and operates a fleet management business that lease vehicles to businesses. Prior to the proposed transaction Windsor also operated the fleet management business which is to be acquired. For the purpose of this transaction Windsor’s fleet management business was transferred to a newly incorporated company, namely Autolease.
8. For the financial year ending 31 December 2014, Windsor had turnover of approximately €[...], all of which was generated in the State.

The Target - Autolease

9. Autolease, is a wholly owned subsidiary of Windsor, established for the purposes of the proposed transaction. Autolease now operates the fleet management business of Windsor. This involves the leasing of vehicles and fleet maintenance services to [...] customers covering approximately [...] vehicles.
10. For the financial year ending 31 December 2014, the fleet management business of Windsor had turnover of approximately €[...], all of which was generated in the State.

Rationale for the Proposed Transaction

11. The parties state in the notification:

“The Proposed Transaction represents an attractive investment opportunity for the Purchaser, who is seeking a healthy return on investment. From Windsor Motor’s perspective, the Proposed Transaction aligns with its objective to expand the shareholder base of the Target to support organic growth of the business.”

Third Party Submissions

12. No submission was received.

Competitive Analysis

13. There are no horizontal or vertical overlaps between Irish Bison, Windsor and Autolease.



14. While Windsor and FE Finance (in which Irish Bison holds a [...] % shareholding) are both active in the area of car financing services, their activities are materially different. Windsor acts as an agent for financial institutions in order to facilitate the provision of car finance by third parties to its customers, a service which is an essential part of the offering in the retail sale of new cars. The finance providers for which Windsor acts as agent in this context include BMW Finance, AIB Leasing, BoI Finance and First Citizen Finance. Windsor is not assigning any contracts relating to these arrangements to Autolease as part of the proposed transaction. FE Finance, on the other hand, provides hire purchase finance only, directly to business customers for both vehicles and commercial (office, IT and motor) equipment.
15. In light of the above, the Commission considers that the proposed transaction will not substantially lessen competition in any market for goods or services in the State.



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, has determined that, in its opinion, the result of the proposed transaction whereby Irish Bison Limited, through the acquisition of 50% of the issued share capital of Autolease Fleet Management Limited, would acquire joint control with Windsor Motors of Autolease Fleet Management Limited will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Gerald FitzGerald
Member
Competition and Consumer Protection Commission