



DETERMINATION OF MERGER NOTIFICATION M/16/008 - PANDAGREEN / GREENSTAR

Section 21 of the Competition Act 2002

Proposed acquisition by PandaGreen of Starrus Eco Holdings Limited trading as Greenstar

Dated 9 June 2016

Introduction

1. On 10 February 2016, in accordance with section 18(1) of the Competition Act 2002, as amended (“the Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed transaction whereby PandaGreen Limited (“PandaGreen”), a wholly-owned subsidiary of Sretaw, would acquire the entire issued share capital of Starrus Eco Holdings Limited trading as Greenstar (“Greenstar”) from Starrus Holdings Limited (“Starrus”).
2. The proposed transaction is to be implemented pursuant to a share purchase agreement dated 3 February 2016 between PandaGreen and Starrus.

The Undertakings Involved

The Acquirer – Sretaw/PandaGreen

3. Sretaw, headquartered in Ballymount, Co Dublin, is a private holding company.¹ Companies controlled by Sretaw are involved in various sectors within the State including [...] and waste management services.
4. PandaGreen is a private company limited by shares which is a wholly-owned subsidiary of Sretaw. It was incorporated for the purposes of the proposed transaction.
5. Nurendale (Unlimited) trading as Panda Waste (“Panda”) is an unlimited private company which is an indirect wholly-owned subsidiary of Sretaw. Panda is involved in the waste management sector in the Greater Dublin Area (“GDA”).² Panda is involved in:
 - (a) the domestic waste collection business.

¹ [...].

² The GDA, in the context of the Commission’s analysis of the proposed transaction comprises the area covered by the following seven local authorities, namely: Dublin City Council, Dun Laoghaire-Rathdown County Council, Fingal County Council, South Dublin County Council, Kildare County Council, Meath County Council and Wicklow County Council.



- (b) commercial and industrial (“C&I”) collection services (from individual and multisite customers).
- (c) the processing of waste and recyclables.

The Target – Greenstar

6. Greenstar, headquartered at Bray, Co Wicklow, is a limited private company involved in the waste management sector in the GDA and also in Counties Cork, Kilkenny, Limerick, Sligo, Waterford and Wexford. Greenstar is involved in:
 - (a) the domestic waste collection business.
 - (b) C&I collection services (individual and multisite customers).
 - (c) the processing of waste and recyclables.

The Vendor – Starrus

7. Starrus, headquartered at Bray, Co Wicklow, is a limited private holding company. Starrus is owned and controlled by Promontoria Holdings 52 B.V. (“Promontoria”). Promontoria is ultimately controlled by Cerberus Capital Management, L.P. and its affiliated funds and fund management entities.

Investigation

8. On 21 March 2016, the Commission served Requirements for Further Information pursuant to section 20(2) of the Act on both Sretaw and Greenstar. This automatically suspended the procedure for the Commission’s Phase 1 assessment.
9. Upon receipt of the responses to the Requirements for Further Information, the “appropriate date” (as defined in section 19(b) of the Act) became 8 April, 2016.
10. On 16 May 2016, the parties submitted proposals under section 20(3) of the Act. On foot of the submission of these proposals the time period, as specified under section 21(4) of the Act applies, and the new Phase 1 deadline became 13 June 2016.
11. During the Phase 1 investigation, the Commission requested and received, on an on-going basis, further information and clarifications from the notifying parties. During the Phase 1 investigation, the Commission also contacted customers and competitors and also public agencies including local authorities.

Analysis

12. The Commission is unable, at this stage, to reach a determination that the proposed acquisition will not lead to a substantial lessening of competition in any market for goods or services in the State. Accordingly, it intends to carry out a full investigation under section 22 of the Act.



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(b) of the Competition Act 2002, as amended (“the Act”), has determined that it intends to carry out a full investigation under section 22 of the Act in relation to the proposed transaction whereby Sretaw, through its wholly-owned subsidiary PandaGreen Limited, would acquire the entire issued share capital of Starrus Eco Holdings Limited trading as Greenstar from Starrus Holdings Limited.

For the Competition and Consumer Protection Commission

Gerald FitzGerald
Member
Competition and Consumer Protection Commission