



ΚΥΠΡΙΑΚΗ  
ΔΗΜΟΚΡΑΤΙΑ



**Decision CPC: 22/2019**

Case Number 8.13.019.13

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW  
No. 83(I)/2014**

**Notification of a concentration concerning the acquisition of the share capital  
of Fereos Fourpoint Distribution Ltd by Tempo Beverages Cyprus Limited**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karidis,	Member
Mr. Aristos Aristidou Palouzas,	Member
Mr. Panayiotis Oustas,	Member
Mr Polinikis-Panagiotis Charalambides	Member

Date of decision: 9/4/2019

**SUMMARY OF THE DECISION**

On 1/3/2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Tempo Beverages Cyprus Limited (hereinafter the «Tempo»), a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”) and it concerns the acquisition by Tempo of the share capital of Fereos Fourpoint Distribution Ltd (hereinafter “Fereos Fourpoint” or the “Target”).

Tempo is a limited liability company duly registered under the laws of the Republic of Cyprus. The said company is active in the import and wholesaling of alcoholic beverages (i.a. beers, vodka, tequila, rum, cider, brandy, whisky, wines, flavoured spirits) in the Republic of Cyprus through its own sales and distribution network.

Fereos Fourpoint (“the Target Company”) is a limited liability company duly registered under the laws of the Republic of Cyprus. The said company is active in the import and distribution of local and imported alcoholic beverages (i.a. wine, vodka, gin, brandy, whisky, tequila, rum, flavoured spirits) in the Republic of Cyprus through its own sales and distribution network.

The transaction is based on a «Sale and Purchase Agreement» (hereinafter the “Agreement”) according to which Tempo will acquire the share capital of Fereos Fourpoint.

The proposed concentration constitutes of two acts which result in the acquisition of a direct control on the activities of Fereos Fourpoint, according to section 7 of the Law.

Taking into account the above mentioned facts, the Commission concluded that the transaction in question constitutes a concentration within the meaning of Article 6(1) (a)(ii) and Article 7 of the Law because it will result in a change of control on a permanent basis of the Target which will be obtained by Tempo.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3(2)(a) of the Law were satisfied and therefore the notified transaction was of major importance under the Law.

The Commission, for the purposes of evaluating this concentration, defined the relevant product/service market as the market for 1) trading of beers, 2) trading of wines and 3) trading of other alcoholic beverages such as vodka, tequila, rum, gin, brandy, whisky etc. For the purposes of the present case, the geographic market was defined as the Republic of Cyprus for all relevant products/service markets.

According to the notification, there is horizontal overlap in the activities given by Tempo and the Target entity as regards to the market of trading of wines and the market of trading other alcoholic beverages. As per the notification, the combined market share of Tempo and Fereos Fourpoint does not exceed 15%, in relation to the horizontal relationship of the undertakings concerned and therefore the concentration does not create any affected market as determined in Annex I of the Law.

In addition, the relationship between the activities of Tempo and Fereos Fourpoint may be also neighboring, as the products of beers and wines-other alcoholic beverages respectively are generally purchased by the same group of clients for the same end use. However, the market share of Tempo in the market of trading of beers is [0-5%]

and less than 25%, a threshold which is set by the Law in order for a market to constitute an affected market.

Considering the above, the Commission concludes that there is no affected market based on Annex I of the Law.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market based on Annex I of the Law and therefore the concentration does not raise serious doubts as to its compatibility with the operation of competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition