



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 10/2019

Case Number: 8.13.019.05

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

**Notification of a concentration concerning the acquisition of Alete's GmbH share
capital by DMK Baby GmbH**

Commission for the Protection of Competition:

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

Date of decision: 22 February 2019

SUMMARY OF THE DECISION

On the 31st of January 2019, the Commission for the Protection of Competition (hereinafter the "Commission") received on behalf of DMK Baby GmbH (hereafter "DMK Baby") 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").

The notification concerned the acquisition of Alete GmbH Corporation share capital (hereafter "Alete" or the "Target") by DMK Baby.

DMK Baby GmbH belongs to DMK Group of companies which is active in the production and sale of dairy products. DMK Baby GmbH through its subsidiaries Humana GmbH, Sunval Nahrungsmittel GmbH and DMK Baby Strückhausen GmbH is active in the production and distribution of baby food.

Alete GmbH is active in the production and distribution of baby and children food and related products.

The transaction is based on the «Sale and Purchase Agreement». (hereafter the “Agreement”) between DMK Baby and the ebc-NETWORK-Businessconsultancy for Europe GmbH and the Alimus GmbH (the sellers).

According to the Agreement, DMK Baby will acquire 100% of the share capital of Alete.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6(1)(a)(ii) of the Law, since it leads to a permanent change of control of the Target.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3(2)(α) 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 (a) children food, (b) children drinks (c) baby/children milk and (d) children snacks. For the purposes of the present case, the geographic market was defined as that of the Republic of Cyprus for all relevant product markets.

According with the undertaking concerned, this concentration leads to a horizontal overlap in the children’s food relevant market in Cyprus. According to the parties concern, DMK Baby’s market share is below 5% and Alete’s market share is also below 5% in Cyprus. Therefore the Commission concluded that there is no affected market.

In addition, there are no vertical relationships or other markets which the notified concentration may have significant impact.

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 and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the 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 the competition in the market.

LOUKIA CHRISTODOULOU

Chairperson of the
Commission for the Protection of Competition