



Decision CPC: 43/2020

Case Number: 8.13.020.25

## THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

### **Notification of concentration regarding the acquisition of the share capital of Emarsys eMarketing Systems AG by SAP SE.**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karydis,	Member
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Polynikis-Panagiotis Charalambides	Member

Date of Decision: 21/10/2020

#### SUMMARY OF THE DECISION

On 30/09/2020, the Commission for the Protection of Competition (hereinafter the "Commission") received on behalf of SAP SE (hereinafter the "SAP"), 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 concerns a concentration, according to which, SAP, will acquire the share capital of Emarsys eMarketing Systems AG (hereinafter the «Emarsys» or the «Target»).

- SAP is a company duly registered under the laws of Germany and is the ultimate parent company of the SAP Group. SAP is an international vendor of software for business. SAP's software solutions comprise Enterprise Application Software (EAS) and its various sub-segments, in particular Customer Relationship Management (CRM) software. Furthermore, SAP

offers maintenance and advisory services tailor-made to its software as well as training.

- Emarsys is a company duly registered under the laws of Austria and is active in provision of software solution for customer relationship management (CRM), which is sold as omnichannel customer engagement platform. This platform helps companies which are active in trade (B2C) to enhance their marketing strategies.

The concentration is based on Agreement dated 21st of September 2020 (hereinafter “Agreement”). Based on this Agreement, SAP will acquire the 100% of the share capital of Emarsys.

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 Emarsys.

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 concentration was of major importance falling within the scope of the Law.

The relevant product market in this case was defined as the market of provision of Customer Relationship Management (CRM) software solutions in the territory of the Republic of Cyprus.

According to the notification, there is a horizontal overlap in the provision of Customer Relationship Management (CRM) software solutions between the activities of the relevant enterprises, in Cyprus.

The Commission noted that there is no an affected market according to Annex I of the Law, regarding the horizontal overlap of the activities of the participating companies in Cyprus, due to the fact that the joint market share in the relevant market is less than 15%.

In addition the Commission noted that there is a possible conglomerate relationship of the activities of the participating companies in Cyprus, since the customers of Emarsys can buy the products of SAP. Nevertheless, based on the market shares, there is no any other markets, in which is possible to arise anti-competitive effects according to Annex I.

There is no any vertical relationship between the activities of the participating companies in Cyprus.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position in the 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