



Decision CPC: 73/2022

Case Number: 08.05.001.022.059

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

**Notification of concentration concerning the acquisition of share capital of N.  
Th. Kouroushiis Ltd from Olympus Foods (Cyprus) Ltd**

Commission for the Protection of Competition:

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

Date of decision: 17 November 2022

**SUMMARY OF DECISION**

On the 19<sup>th</sup> of October 2022 the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Olympus Foods (Cyprus) Ltd, 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 Olympus Foods (Cyprus) Ltd (hereinafter the “Olympus”) intends to acquire the share capital of N. Th. Kouroushiis Ltd (hereinafter the “Kouroushiis” or “Target”).

Companies participating at this merger are the following:

1. Olympus Foods (Cyprus) Ltd is a company duly registered under the laws of the Republic of Cyprus. Olympus is a subsidiary of the Greek company HELLENIC DAIRY S.A. and is active in the import and distribution of products of the company HELLENIC DAIRY S.A. in the Cypriot market.
2. HELLENIC DAIRIES S.A. is a company duly registered under the laws of Greece. The above mentioned company is active in the production and distribution of dairy and cheese products and juices. The main groups of products produced by HELLENIC DAIRY S.A. and its subsidiaries are: Cheese - Butter (White and yellow cheeses, whey cheeses, hard cheeses, butter), Dairy (Fresh milk, highly pasteurized milk (ESL), long shelf life (UHT) milk, chocolate milk, sour milk, cream, milk desserts), Juices (fresh juices), Yogurt-Yogurt desserts (yogurt, yogurt by-products), Herbal products, Mountain tea, Soft drinks, Carbonated water.
3. Kouroushiis is a company duly registered under the laws of the Republic of Cyprus. Kouroushiis is engaged in the production and trade of dairy products. Specifically, it produces products that are marketed under its own brand as well as products that it produces on behalf of its customers (private label products). The product groups in which N.Th. Kouroushiis Ltd is yogurt, halloumi, anari, kefir and airani.

The concentration under consideration is formed in the basis of an Agreement (hereinafter the "Agreement") dated August 23, 2022, which was agreed by and between physical persons K.Th., N.Th., P.Th., F.Th. and Kouroushii, as the Sellers and Olympus, as the Buyer. As stated in the Agreement, Olympus intends to purchase the ordinary shares of Kouroushii, which represent 100% of its issued share capital, in two stages.

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

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 Commission has concluded that for the purposes of evaluating this concentration, the relevant product market is the trading market for the purpose of

retailing (a) standardized white yogurt and specifically the strained yogurt sub-market, (b) white milk and specifically the probiotic milk sub-market (c) cheese products.

In addition, the Commission concluded that the geographical market for the relevant markets in question is that of the territory of the Republic of Cyprus.

Therefore, there is horizontal overlap between the Parties in the market of cheese products in Cyprus. Their combined market share is [0-5] % having as result no horizontally affected market in the Republic of Cyprus.

As per the notification, the combined share of the participants in the concentration in the probiotic milk submarket is estimated at [40-50] %.

In the case, the market share of the participants becomes stronger in the probiotic milk market, however, according to the data of the notification, there are possibilities of substitution of the products by those offered by their competitors. These products are offered by a number of competitors. Therefore, this act is not likely to significantly impede effective competition in the market.

The parties involved have a significant share in the relevant probiotic milk market that enables them to exercise competitive pressure. Also, the fact that the buyer will acquire an additional market share of less than 3% and the possibility of other competitors to also exercise, to a certain point, competitive pressure on them, taking into account the possibilities of close substitution between the products of the relevant markets and those offered by competing undertakings, the Commission considers that the notified concentration is not expected to lead to non-coordinated effects on the affected market in which a horizontal relationship arises.

Taking into account the above, the Commission concludes that in this concentration no affected market is created based on Annex I of the Law. In addition, there are no other markets in which the notified concentration may have a significant effect.

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