



**ΚΥΠΡΙΑΚΗ
ΔΗΜΟΚΡΑΤΙΑ**



**ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ**

Decision CPC: 33/2015

Case Number 8.13.015.12

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

**Notification of concentration regarding the acquisition of the share capital of
KLIKWOOD CORPORATION from ROBERT BOSCH NORTH AMERICA
CORPORATION and the acquisition of the share capital of KLIKLOK
INTERNATIONAL LIMITED from BOSCH PACKAGING TECHNOLOGY LIMITED**

Commission for the Protection of Competition:

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|---------------------------|-------------|
| Mrs. Loukia Christodoulou | Chairperson |
| Mrs. Eleni Karaoli | Member |
| Mr. Andreas Karides | Member |
| Mr. Charis Pastellis | Member |
| Mr. Christos Tsingis | Member |

Date of decision: 19 October 2015

SUMMARY OF THE DECISION

On the 28th of September 2015, the Commission for the Protection of Competition (hereinafter the «Commission») received a notification of the proposed concentration from ROBERT BOSCH NORTH AMERICA CORPORATION (hereinafter the «RBNH»), in accordance with section 10 of the Control of Concentrations between Enterprises Law (Number 83(I)/2014) (hereinafter the «Law”).

The said concentration will take place through two transactions. The first transaction concerns the acquisition of 100% of the share capital of KLIKWOOD CORPORATION (hereinafter «KLIKWOOD») by RBNH, and the second transaction

concerns the acquisition of 100% of the share capital of KLIKLOK INTERNATIONAL LIMITED (hereafter the «KI») from BOSCH PACKAGING TECHNOLOGY LIMITED (hereinafter «PAGB»).

RBNH, which is a subsidiary company of ROBERT BOSCH GmbH (hereinafter «BOSCH»), is a company duly registered under the laws of the United States of America. RBNH, inter alia, manufactures and sells original automotive equipment and spare parts, drive and control technology, power tools and accessories, security systems, packaging technology, thermo technologies, household appliances and medical care. BOSCH is active in the production and sale of processing and packaging technology for the pharmaceutical industry, medical equipment, confectionery industry, solid and liquid food industry and other industries such as soft feeding, including the grouping of primary and secondary packaging of various and often fragile products.

The targeted company, KLIKWOOD, is a company duly registered under the laws of the United States of America. This company through its subsidiary KLIKLOK CORPORATION (hereinafter « KLIKLOK») which is duly registered under the laws of the United States of America, is active in the market for packaging machinery, namely the development, manufacture, distribution and packaging ancillary equipment ('secondary machines'), as well as vertical bagger ('VFFS') machines, which are used in the food industry.

PAGB is a company duly registered under the laws of the United Kingdom. This company is a subsidiary of BOSCH and is mainly responsible for (i) the provision of presses in tablet form and coater machines to the pharmaceutical industry and process industries and (ii) the provision of spare parts services to clients of PAGB equipment in the United Kingdom and Ireland.

The second targeted company, KI, is a company duly registered under the laws of the United Kingdom. This company operates in the market for packaging machinery, namely the development, manufacture, distribution and secondary packaging machines, as well as vertical machines, which are used in food industry.

The transaction is based on (a) a Share Purchase Agreement dated 21/9/2015 between RBNH as the acquiring company and the sellers ("Agreement 1") for the acquisition of 100% of the share capital of KLIKWOOD and (b) a Sale and Purchase

of Shares Agreement dated 21/9/2015 between PAGB as the acquiring company and the sellers ("Agreement 2") for the acquisition of 100% of KI.

With the completion of the proposed concentration, RBNH will hold 100% of the total share capital of KLIKWOOD and PAGB will hold 100% of the total share capital of KI.

The Commission, taking into account the facts of this concentration 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 two targeted companies, KLIKWOOD and KI, as RBNH and PAGB respectively (which belong to BOSCH group of companies) will acquire their sole control.

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. According to the notification, the aggregate turnover achieved by BOSCH, the group of companies RBNH and PAGB belong to, as well as, the targeted companies KLIKWOOD and KI, exceeded, in relation to each one of them 3.500.000 euro. Furthermore, both BOSCH group of companies and the targeted company KI, engaged in commercial activities within the Republic of Cyprus and the total turnover which relates to the supply of goods and services within the Republic exceeded 3.500.000 euro.

The relevant product market in this case was defined as the machinery and technology for processing and packaging of food. The definition of the geographic market of the relevant product market in this case was defined as the Republic of Cyprus.

The Commission noted that, according to the parties of the concentration, both BOSCH group of companies and KI operate in the territory of the Republic of Cyprus, but in different markets. In particular, the turnover achieved within the Republic of Cyprus by BOSCH group does not concern the relevant market of machinery and technology for processing and packaging of food, in which KI operates.

The Commission, on the basis of the evidence before it, 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