



Decision CPC: 17/2020

Case number: 8.13.020.10

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW
NO 83(1)/2014**

**Notification of a concentration regarding the acquisition of the share capital of
Panda Security S.L. by WatchGuard Technologies, Inc.**

Commission for the Protection of Competition:

Mrs Loukia Christodoulou	Chairperson
Mr. Andreas Karides	Member
Mr. Panayiotis Oustas	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Polynikis Panayiotis Charalambides	Member

Date of Decision: 9 April 2020

SUMMARY OF THE DECISION

On 19/3/20 the Commission for the Protection of Competition (hereinafter the "Commission") received on behalf of WatchGuard Technologies Inc. (hereinafter "WatchGuard"), a notification of a proposed concentration.

This notification concerns a concentration according to which WatchGuard intends to acquire the share capital of Panda Security, S.L. (hereinafter the "Target Company").

The enterprises involved in this transaction are the following:

- Panda Security S.L. is a limited liability company duly registered in accordance with the laws of Spain. This company is the parent of the Panda Group, which is a provider of advanced software solutions for cybersecurity, protection, detection and terminal response.

- WatchGuard Technologies, Inc. is a limited liability company duly registered under Washington state laws. This company is the parent of the WatchGuard group, which is active in the wider field of business cybersecurity.

The transaction is based on Share Purchase Agreement dated 5/3/2020 (hereinafter referred to as the 'Agreement') according to which the Acquirer will acquire 100% of the share capital of the Target from the Sellers, as recorded in the SPA.

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 by WatchGuard.

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

The Commission, for the purposes of evaluating this concentration has concluded that the relevant markets is defined as the market for the development and provision of terminal protection products and services (for enterprises) and ancillary operations. The territory of the Republic of Cyprus has been defined as a geographic market.

According to the information provided by the parties, there is no horizontal overlap in Cyprus between their activities, not a vertical relationship.

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 are no affected markets, and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

On the basis of the above and all the information in the administrative file, the Commission concluded that there are no other markets on which the notified concentration may have a significant impact, based on the provisions of the Law.

Therefore acting in accordance with Article 22 of the Law, the Commission unanimously decides not to oppose the notified concentration and declares it compatible with the functioning of the competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition