



Decision CPC: 62/2022

Case Number: 08.05.001.022.036

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

**Notification of concentration concerning the acquisition of the share capital of
Arca Holdings LLC from Garda World Security Corporation**

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: 9 September 2022

SUMMARY OF DECISION

On the 17th of June 2022 the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Garda World Security Corporation, 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 Garda World Security Corporation (hereinafter the “GardaWorld”) intends to acquire the share capital of Arca Holdings LLC (hereinafter the “Arca” or “Target”).

Companies participating at this merger are the following:

1. Garda World Security Corporation is a company duly registered under the laws of Canada and is active in the integrated physical security, cash management and risk management services. GardaWorld operates internationally serving businesses in two main functional areas, security solutions and cash management services. GardaWorld is owned by (i) BC Partners, a private equity investment firm, and (ii) the founder Mr. S.C.

BC Partners is an international investment firm that invests primarily in larger companies in Europe and North America, through its established network of offices in London, Paris, Hamburg and New York. Its portfolio companies are active in various sectors of the economy.

2. Arca Holdings, LLC is a company duly registered under the laws of the United States of America and engaged in the business of Teller Cash Recyclers (TCRs) and related support services for financial institutions, which enable the automation of cash deposits and withdrawals within bank branches. Arca designs, manufactures and develops high quality TCRs and provides continuous support through spare parts and maintenance services.

This notification concerns a merger that shall take place on the basis of Agreement and Merger Plan dated 23 August 2022, between Sesami Cash Management Technologies Corp (a subsidiary of GardaWorld USA (hereafter "Sesami C")), Sesami Intelligence Services LLC (wholly owned subsidiary of Sesami C (hereafter "Sesami I")), Arca as a representative of the shareholders of Arca and GardaWorld (hereinafter "SPA"). According to the SPA, Sesami I, will be merged with Arca (the "Merger"). As a result of the Merger, Sesami I's separate existence as a legal entity will cease to exist, with Arca surviving the Merger. Arca will continue as the surviving company and as a wholly owned subsidiary of Sesami C.

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 GardaWorld.

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 / service market is (a) the market for the supply of TCR / automated cash handling products for financial institutions, (b) the market for the supply of TCR / automated cash handling products for retail and (c) the market for the supply of spare parts and repair services for TCR.

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.

Based on the information in the notification, there is no horizontal overlap or vertical relationship in the activities of the participating companies. In addition, no other markets arise which could be significantly affected by the notified concentration.

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