



Decision CPC: 21/2021

Case Number: 08.05.001.021.014

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

**Notification of a concentration concerning the acquisition of the share capital  
of Lanai Holdings 1.5, Inc. (Biofreeze και TheraPearl) by MJ USA Holdings LLC**

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: 16<sup>th</sup> of April 2021

**SUMMARY OF THE DECISION**

On 16/3/2021, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of MJ USA Holdings LLC (hereinafter the “MJ USA”), 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, MJ USA, will acquire the share capital of Lanai Holdings 1.5, Inc. and thus the businesses Biofreeze and TheraPearl (hereinafter “the “Target”).

- MJ USA Holdings LLC is a holding company duly registered in accordance with the laws of the United States of America and is controlled by Reckitt Benckiser Group plc (hereinafter “the “Reckitt Benckiser”).

Reckitt Benckiser is a public company, duly registered according to the laws of England and Wales. It is a consumers products company and a producer of health, hygiene, house and food products and some of its brands are Enfamil, Nutramigen, Nurofen, Strepsils, Gaviscon, Mucinex, Durex, Scholl, Clearasil, Lysol, Mycil, Dettol, Disprin, Veet, Harpic, Cillit Bang, Mortein, Finish, Vanish, Calgon, Woolite, Airborne και Air Wick. In addition, Reckitt Benckiser holds the Neurofen brand name for pharmaceutical products as well as the Boniela brand name for mouth pharmaceutical products.

- Lanai Holdings 1.5, Inc, is a holding company duly registered in accordance with the laws of the United States of America. Enterprises that are controlled by this company distribute products under the Biofreeze and TheraPearl products.

Biofreeze is active in the distribution of local pain relief products and TheraPearl is active in the distribution of products for the relief from pain (drug free).

The concentration is based on a Share Purchase Agreement dated 23/2/2021 (hereinafter “SPA”). In addition, there is going to be a reorganization of the Target group and based on this Agreement, MJ USA, will acquire 100% of the share capital of the Target.

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 Company.

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/services market in this case was defined as the market of (i) the local pain management (TPM) products, which target local pain symptoms through local application to the skin, and are further separated into (a) TPM pharmaceuticals and (b) non-pharmaceutical TPM products and (ii) the market for systemic pain management (SPM) products. The geographic market for all relevant markets is the territory of the Republic of Cyprus.

According to the notification, there is no horizontal overlap between the activities of the acquirer and the Target Company in Cyprus.

In addition the Commission noted that there are no vertical relationships between the activities of the participating companies in Cyprus. It also concluded that there are no other markets in which the notified concentration may have a significant impact, based on the provisions of the Law.

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