



## Determination of the Competition Authority

**Determination No. M/03/017 of the Competition Authority, dated 8 July 2003, under Section 21 of the Competition Act, 2002**

**Notification No. M/03/017 – Acquisition of Makroform GmbH by Bayer AG**

### Introduction

1. On 16 June 2003 the Competition Authority, in accordance with Section 18 of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Bayer AG (Bayer) would acquire sole control of Makroform GmbH (Makroform) by acquiring Röhm GmbH’s joint controlling interest in Makroform.

### The Parties

2. Bayer is a global business involved in the production and sales of chemical products, polymers, pharmaceuticals products and pesticides. It has various activities within the State.
3. Makroform is a joint venture currently subject to joint control by Bayer and Röhm GmbH. Makroform is active in the production and sale of polycarbonate (PC) and polyester plates. Its activities are based primarily in Europe, and include sales of its products within the State.

### Analysis

4. The notifying parties have submitted that sales of PC plates by Makroform account for less than 10% of sales of PC plates within the State, and less than 10% of all plastic plates sold within the State. Bayer also has minority interests in three further competitors that have an aggregate share of less than 16% in sales of PC plates on a European-wide basis. In this case, the Authority found that irrespective of whether the market was defined as a market for PC plates or a broader market for plastic plates, the acquisition of sole control of Makroform by Bayer would not substantially affect the level of competition within the State.
5. In assessing this matter, the Authority also considered whether the change from joint to sole control could have any impact on upstream or downstream markets. Bayer currently supplies polycarbonate (PC) granulates to Makroform and other competitors which is an essential input into the manufacture of PC plates. The Authority found that even if Bayer had greater incentive to discriminate in favour of Makroform in the supply of PC granulates once it become a wholly owned business, other alternative suppliers remained available to supply competitors.



## **Determination of the Competition Authority**

### **Determination**

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that the result of the proposed acquisition will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

**For the Competition Authority**

**Terry Calvani**  
**Member of the Competition Authority**

**8 July 2003**