



Determination No. M/04/023 of the Competition Authority, dated 17 May 2004, under Section 21 of the Competition Act, 2002

Notification No. M/04/023 – The proposed acquisition by Beaujon Finance SAS of Diana Ingrédients SAS

Introduction

1. On 19 April 2004 the Competition Authority, in accordance with Section 18(1) of the Competition Act, 2002, was notified on a mandatory basis of a proposal whereby Beaujon Finance SAS (“Beaujon Finance”) would acquire sole control of Diana Ingrédients SAS (“Diana Ingrédients”) by purchase of 100% of the shares and voting rights in Diana Ingrédients (“the proposed transaction”). The proposed transaction has also been notified to the relevant authorities in Austria, Brazil, France, Germany and Spain.

The Parties

2. Beaujon Finance, a limited liability company incorporated in France, was established specifically for the purpose of acquiring Diana Ingrédients. Beaujon Finance is owned and controlled by Electra Partners Limited (“EPL”), which in turn is the holding company of the Electra Group. The Electra Group’s main activity is financial investment, particularly the acquisition and financing of various types of businesses. The Electra Group controls a large and diverse range of businesses, which are identified and described in an organisation chart that was provided to the Competition Authority.
3. Four investee companies of Electra Group operate in Ireland:
 - i. Safety Kleen - Rents and services plant degreasing and clearing equipment.
 - ii. Amtico – Manufactures flooring.
 - iii. BWG - Wholesaler supply of goods and services to the retail grocery sector, and to licensed and catering outlets in Ireland and the UK, particularly the supply of retail stores and food service outlets (e.g. pubs, hotels and caterers).
 - iv. Aliplast NV - manufactures aluminium profiles.
4. Diana Ingrédients, a limited liability company incorporated in France, is owned and controlled by BNP–Paribas. Diana Ingrédients comprises a number of companies, which are incorporated in various jurisdictions and operate internationally in the manufacture and supply of ingredients to agricultural, food processing and pharmaceutical industries. The group has fourteen industrial plants spread through Europe, the American continent and Australia, and it manufactures and supplies four ranges of ingredients:



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- i. Aromatic range - aromatic enzyme extracts from meat (concentrate or powder), poultry stock, poultry fat, sauces, concentrated wine extracts and fruit and vegetable extracts;
 - ii. Pet food range - flavourings, poultry meat, nutritional extracts, tailored food products;
 - iii. Colouring range - natural red colourings (beetroot, purple carrot, red fruits); and
 - iv. Health range - dietary products and nutritional complements, amino acids and derivatives, peptones, and ingredients for children's foods.
5. Diana Ingredients has no subsidiaries or facilities in Ireland, and all of its sales in Ireland are by way of export sales or through independent, local agent distributors.

Analysis

6. The proposed transaction is a private equity investment by the Electra Group in Diana Ingredients. The principle commercial objective of the proposed transaction is for the Electra Group to realise a capital gain from the anticipated future worth of Diana-Ingredients.
7. The Electra Group identified and described each of the companies operating in Ireland in which it has an invested interest. In terms of goods or services manufactured or supplied, there is no horizontal or vertical overlap in the island of Ireland between the business activities of the Electra Group and Diana-Ingredients. The absence of overlap in the notifying parties' activities indicates that the proposed transaction does not raise competition concerns.

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the proposed acquisition by Beaujon Finance SAS of Diana Ingrédients SAS will not result in a substantial lessening of competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Edward Henneberry
Member of the Competition Authority