



DETERMINATION OF MERGER NOTIFICATION M/06/086-RR DONNELLEY/ BANTA

Section 21 of the Competition Act 2002

Proposed acquisition by RR Donnelley and Sons Limited of the Banta Corporation

Dated 11/12/06

Introduction

1. On 30 November 2006, the Competition Authority ("the Authority"), in accordance with Section 18 (1) of the Competition Act, 2002 ("the Act") was notified, on a mandatory basis, of a proposal whereby RR Donnelley and Sons Limited ("RRD") would acquire sole control of Banta Corporation ("Banta").

The Undertakings Involved

2. RRD, the acquirer, is a United States-based company active internationally in the provision of print and related services, in particular: publishing and retail services; integrated print communications; and forms and labels.
3. While the focus of the acquirer's activities is in North America and, in particular, in the United States, the acquirer, however, is only active in the provision of printing services and document business process outsourcing sectors in the State through Astron, a company acquired by the acquirer in 2005¹.
4. Astron provides its services to customers in the State through Astron Media Services Limited. Specifically, Astron Media Services Limited provides business process solutions, print management services and transactional print and mail services.
5. For the year ended 31 December 2005, the acquirer had a worldwide turnover of €6.77 billion of which €[...] derived from its activities in the State
6. Banta, the target, is a publicly-traded company based in the United States and is primarily active in the provision of print and supply-chain management services. While the focus of the target's activities is in the United States, the target is, however, active in the provision of supply chain management services in the State. The target has operations in Cork and Limerick.
7. For the year ended 31 December 2005, the target had a worldwide turnover of €1.24 billion of which approximately €[...] derived from its activities in the State.

¹ This acquisition was notified to the European Commission and cleared by a decision of the European Commission on 15 June 2005: Case No. COMP/M.3814 – *RR Donnelley/Astron* available from the European Commission's website at <http://www.europa.eu.int/comm/competition/mergers>.

Analysis

8. In the State, the acquirer is only active in the provision of print management services through its subsidiary Astron Media Services Limited while the target provides customers in the State with supply-chain management services only.
9. The Authority's investigation has found that there is no overlap in the activities of the undertakings involved in the State.
10. The Authority has therefore concluded that the proposed transaction does not give rise to competition concerns and will not lead to a substantial lessening of competition in the State.

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by RR Donnelley and Sons Limited of Banta Corporation 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

Dr. Paul K. Gorecki
Member of the Competition Authority