



DETERMINATION OF MERGER NOTIFICATION M/06/088 – BARCLAYS PRIVATE EQUITY FRANCE SAS/APEM

Section 21 of the Competition Act 2002

Proposed acquisition by Barclays Private Equity France SAS of APEM Group SA

Dated 21/12/06

Introduction

1. On 5 December 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 Barclays Private Equity France SAS (“BPEF”) would acquire sole control of APEM Group SA and its subsidiaries (“APEM”).
2. It is proposed that the acquisition of sole control of APEM by BPEF will be effected through a newly-incorporated company, NewCo. NewCo will be solely controlled by BPEF holding a minimum of 63.4% of the shares. The remaining minority shareholding will be held by several other investors including management of APEM.

The Undertakings Involved

3. BPEF, the acquirer, is active on the management of private equity investment funds. BPEF is wholly-owned by Barclays Bank plc which is itself a major global provider of a range of financial services. Barclays Bank plc also wholly-owns Barclays Private Equity Limited (“BPEL”), a company which also manages private equity investment funds owned by Barclays Bank plc.
4. In the State, Barclays Bank plc derived turnover of approximately [...] in the State in 2005 of which [...] derived from the activities of companies controlled by BPEF and BPEL.
5. APEM, the target, is a publicly-listed company based in France and is controlled by the Nord-Est Group.
6. APEM is active in the design, development, manufacture and sale of switches, industrial joysticks and keyboards. The switches manufactured by APEM are sold to professional customers who are active in a wide variety of sectors including industrial automation, security, point of sales, telecommunications and medical electronics.
7. For the last financial year, APEM derived [...] turnover from its activities in the State.

Analysis

8. There is no overlap in the activities of the undertakings involved in the State. The acquirer is active in the provision of financial services globally, whereas the target designs, develops, manufactures and sells industrial joysticks, keyboards and switches.
9. The Authority has therefore concluded that the proposed transaction does not give rise to competition concerns.

Determination

The Competition Authority, in accordance with Section 21(2)(a) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by Barclays Private Equity France SAS of APEM Group SA 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