



DETERMINATION OF MERGER NOTIFICATION M/18/49 - INFRAVIA/ MP HEALTHCARE

Section 21 of the Competition Act 2002

Proposed acquisition by InfraVia Group, through Oval BidCo Limited, of sole control of MP Healthcare Holdings Unlimited Company

Dated 10 July 2018

Introduction

1. On 7 June 2018, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby InfraVia European Fund IV FPCI and InfraVia European Fund IV SCSp (“**InfraVia Funds**”) (managed by InfraVia Capital Partners (“InfraVia CP”)), through Oval BidCo Limited, would acquire the entire issued share capital and thereby sole control of MP Healthcare Holdings Unlimited Company (“**MP**”) (the “Proposed Transaction”). InfraVia Funds, InfraVia CP and other funds managed by InfraVia CP are referred to collectively in this determination as “**InfraVia Group**”.

The Proposed Transaction

2. The Proposed Transaction is to be implemented by way of a share purchase agreement (the “Agreement”) dated 31 May 2018 between MedVest S.á.r.L., Mater Private Hospital Foundation II Limited, Mater Private Executive Trust Limited, MP Foundation IV Limited and Eccles Healthcare Holdings (collectively the “Vendor Shareholders”), the Non-Restricted Share Owners¹, [...] ², [...] ³, MP and Oval BidCo Limited. Pursuant to the Agreement, InfraVia Funds (through Oval BidCo Limited) will acquire sole control of MP.

¹ The Non-Restricted Share Owners being[...].

² [...].

³[...].



The Undertakings Involved

The Acquirer - InfraVia Funds

3. Oval BidCo Limited is a private company limited by shares formed under the Irish Companies Act 2014. Oval BidCo Limited is ultimately owned by InfraVia Funds. InfraVia Funds are managed by InfraVia CP.
4. InfraVia CP is a Société par Actions Simplifiée formed under French law, founded in 2008 and based in Paris, France. InfraVia CP is an investment firm specialising in sustainable infrastructure assets, which typically invests in companies operating within the following sectors: utilities, transportation, energy, environment, communications, telecommunication, and social infrastructure. InfraVia CP has a pan-European investment strategy focusing its investment in the eurozone with a particular focus on mid-cap infrastructure investments.
5. In the State, InfraVia Group's operations consist of the following activities: (i) the provision of residential care and nursing homes in the State, through CareChoice brand, the nursing home operator, which it acquired in April 2017; and (ii) the provision of telecommunications tower infrastructure services in the State, through its 98% ownership stake in the portfolio company, Signal Infrastructure Limited.
6. For the financial year ending 31 December 2017, InfraVia Group's worldwide turnover was approximately €[...] billion, of which approximately €[...] million was generated in the State.

The Target - MP

7. MP is a private unlimited company incorporated in Ireland and a provider of private hospital services in the State. In the State, MP's operations consist of the operation of the Mater Private Hospital Dublin, the Mater Private Hospital Cork, the Mid-Western Radiation Oncology Centre (which is located on the grounds of University Hospital Limerick) and a number of regional outreach clinics located in Drogheda, Mullingar, Navan, Sligo, Mallow and Mitchelstown. In addition, outside the State MP operates an advanced cancer centre in Liverpool.



8. A range of private hospital services are provided at the Mater Private Hospital Dublin and the Mater Private Hospital Cork. Radiotherapy services are provided at the Mid-Western Radiation Oncology Centre and chemotherapy and radiotherapy services are provided at the advanced cancer centre in Liverpool. Mater Private's outreach clinics offer routine specialist consultation, testing and follow-up appointments with Mater Private Consultants in key specialties such as Cardiology, Orthopedics and Spine and Urology.
9. For the financial year ended December 2017, MP's turnover was approximately €[...]million, of which €[...] was generated in the State.

Rationale for the Proposed Transaction

10. The parties state the following in the notification:

“InfraVia Group is not currently involved whatsoever in the provision of private hospital services in the State or elsewhere and the purpose of the Proposed Transaction is to allow InfraVia Funds to become a new entrant in the provision of private hospital services in the State.”

Third Party Submissions

11. No submission was received.

Competitive Analysis

Horizontal Overlap

12. There is no horizontal overlap between the activities of the parties in the State. As described above, none of the companies owned and/or controlled by InfraVia Group, which generated turnover in the State, are engaged in the same business activities as MP, i.e., none of those companies currently provide private hospital services in the State. Similarly, MP is not currently involved in any of the business activities in which the companies owned and/or controlled by the InfraVia Group are active and which generate turnover in the State.



13. In light of the above, the Commission considers that the Proposed Transaction does not raise any horizontal competition concerns in respect of the provision of private hospital services in the State.

Vertical Relationship

14. The parties informed the Commission that there is no vertical relationship between MP and any of the companies managed and/or controlled by InfraVia Group which generate turnover in the State. The Commission has not identified any vertical relationships between the parties. On this basis, the Commission considers that the Proposed Transaction does not raise any vertical competition concerns in the State.

Conclusion

15. In light of the above, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

16. The Agreement contains restrictive covenants on one of the Vendor Shareholders (i.e. MedVest S.à.r.L)(clause 14), and on the Managers (clause 15), in particular non-compete and non-solicitation obligations. The duration of these restrictive covenants does not exceed the maximum duration acceptable to the Commission.⁴ The Commission considers these restrictions to be directly related to and necessary for the implementation of the Proposed Transaction.

⁴ In this respect, the CCPC follows the approach adopted by the EU Commission in paragraphs 20 and 26 of its “Commission Notice on restrictions directly related and necessary to concentrations” (2002). For more information see [http://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52005XC0305\(02\)&from=EN](http://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52005XC0305(02)&from=EN)



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition, whereby InfraVia European Fund IV FPCI and InfraVia European Fund IV SCSp (managed by InfraVia Capital Partners), through Oval BidCo Limited, would acquire the entire issued share capital and thereby sole control of MP Healthcare Holdings Unlimited Company, will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Brian McHugh

Member

Competition and Consumer Protection Commission