

The CNMC cleared eight mergers and acquisitions in April

- All were approved in the first phase and without commitments, as they raised no competition concerns.

Madrid. May 25, 2022.- The CNMC approved a total of eight mergers and acquisitions between companies in April. They were all approved in the first phase and without commitments, as they raised no competition concerns.

The sectors affected by these business operations were the following: the production and distribution of self-propelled aerial work platforms sector, the funeral services market, the fresh cement and concrete market, the production and supply of zinc oxide sector, the rail freight transport sector, the maritime passenger transport sector, and the distribution and supply of piped LPG market.

[C/1282/22 HIG / FE](#)

H.I.G. Capital, LLC acquires exclusive control of all securities of France Expansion, S.A.S

On 11 April 2022, the CNMC authorised the operation consisting of the acquisition of exclusive control of all securities of France Expansion, S.A.S. by H.I.G. Capital, LLC, through its subsidiary Time Manufacturing Holdings, LLC.

H.I.G. Capital is a global private equity and alternative investment firm headquartered in Miami, USA. H.I.G.'s portfolio companies include Time Manufacturing Holdings, a global manufacturer of bucket-lift trucks, excavator cranes, cable-laying trucks, truck bodies, truck-mounted aerial lifts and other speciality equipment for electric utilities, telecommunications infrastructure, bridge inspection, tree care, and other industries with support vehicle fleets.

France Expansion, S.A.S. is a French group that manufactures truck-mounted aerial work platforms since 1984. The group is made up of France Élévateur, Talleres Velilla, S.A., FE Benelux and FE Deutschland.

The economic sector affected by the operation is that of the production and distribution of self-propelled aerial lifts and, more specifically, the segment of vehicle-mounted aerial lifts (VMAL), where both companies operate.

The merger only gives rise to horizontal overlaps in Spain, in the VMAL market and in the segment of light VMAL. However, the presence of the acquirer in these markets was residual prior to the operation. In addition, the products and geographic focus of the parties are largely complementary. Moreover, there are other operators with significant market shares in both markets.

On the other hand, this is a market with excess installed capacity¹, no significant barriers to entry, and no problems of access to inputs. In addition, supplier changes do not entail significant costs and there is no relevant brand loyalty in the VMAL market.

The CNMC considered that the operation poses no threat to competition in the market under scrutiny.

[C/1283/22 ALBIA/JORDIAL \(ASSETS\)](#)

Albia Gestión de Servicios, S.L.U. takes exclusive control of Jordial, S.L.

On 11 April 2022, the CNMC authorised the operation consisting of the acquisition of exclusive control by Albia Gestión de Servicios, S.L.U. of practically all the assets belonging to the company Jordial, S.L.

Albia Management of Services, S.L.U. is a Spanish company that provides comprehensive funeral services. It operates in 37 Spanish provinces. The company belongs to the Santa Lucía group, which operates in the funeral and home insurance sector (although, currently, it is also active in the life insurance sector).

Jordial S.L. is a Spanish company operating in the comprehensive provision of funeral services in Spain. It owns a funeral home and a crematorium in Aranda de Duero (Burgos) and a funeral home in Roa (Burgos).

The assets acquired by Albia are linked to the provision of funeral services. These include cars, goods, employees, goodwill, etc., with the exception of the buildings in which Jordial provided funeral services, which will continue to be Jordial's property and will be leased to Albia.

As a result of the operation, Albia will strengthen its presence in the comprehensive funeral services retail market. However, the resulting market

¹The maximum production volume that a company can achieve during a given period of time, taking into account all its available resources.

shares are less than 30% both in Castilla y León and – specifically – in the province of Burgos, the only geographical area where both Jordial and Albia are present.

Albia will enter the Aranda de Duero and Roa funeral home wholesale markets and the Aranda de Duero crematorium wholesale market, where it was not previously present. The company takes over the competitive position that Jordial had in those markets.

In terms of vertical reinforcement, the addition of the Jordial funeral facilities in Aranda de Duero and Roa to Albia's portfolio will increase Santa Lucía's capacity to provide intra-group funeral services to its policyholders in these locations. However, the effects of this vertical reinforcement are limited by the low penetration of burial insurance in the province.

Similarly, the existence of an alternative competitor in the funeral home and crematorium wholesale markets concerned, with the same portfolio of facilities as Albia, represents an alternative for the remaining competitors in the funeral insurance market. Therefore, Santa Lucía will not have the capacity or incentives to alter the existing competitive conditions in the funeral insurance market.

The CNMC considered that the notified merger operation does not impede effective competition.

[C/1271/22 ALBIA / TANATORIO DE MARÍN](#)

Albia Gestión de Servicios, S.L.U. takes exclusive control of Tanatorio de Marín, S.L.

On 11 April 2022, the CNMC authorised the operation consisting of the acquisition of sole control of Tanatorio de Marín by Albia Gestión de Servicios.

This operation was effectively executed in 2019 and its notification was subsequently required ex officio by the Competition Directorate. As a consequence of the breach of the notification obligation, [disciplinary proceedings have been initiated against Albia](#).

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Tanatorio de Marín is a Spanish company that provides wholesale funeral home services at its facility in Marín (Pontevedra).

Prior to the merger, Albia already had joint control over Tanatorio de Marín, so the operation did not entail a quantitative change in the structure of the funeral home wholesale market supply in Marín. After the operation, Albia has solely taken over the competitive position of Tanatorio de Marín.

The CNMC considered that the operation does not pose a threat to competition, as it does not lead to any changes in the structure of the supply of any of the concerned markets.

C/1248/22 SERCOMISA/MEDITERRÁNEA PITIUSA

Servicios y Concesiones Marítimas Ibicencas, S.A. acquires exclusive control of Mediterránea La Naviera de Formentera, S.L.

On April 11, 2022, the CNMC authorised the operation consisting of the acquisition by Servicios y Concesiones Marítimas Ibicencas, S.A. (Sercomisa) of exclusive control of Mediterránea La Naviera de Formentera, S.L. (Mediterránea Pitiusa).

Sercomisa is a Spanish company engaged in the provision of maritime services, ship chartering and ship leasing. Among other activities, it provides maritime passenger transport services between Ibiza and Formentera.

Mediterránea Pitiusa operates exclusively in the maritime passenger transport sector between Ibiza and Formentera.

The merger entails a horizontal overlap in the market for regular maritime passenger transport between Ibiza and Formentera.

Following the operation, Sercomisa has become the leading operator on the line by acquiring Mediterránea Pitiusa (the third largest operator in terms of market share). However, the share of both companies has been decreasing in recent years in favour of Balearia, Sercomisa's main competitor.

Also, according to the responses from competitors and tour operators interviewed by the CNMC, Mediterránea Pitiusa was not exerting strong competitive pressure in recent years because it was not substantially different from its competitors, nor was it able to control the behaviour of the rest of the shipping companies. Therefore, the disappearance of the acquired company would not imply a

significant deterioration in the price or quality conditions applied by the shipping companies to their consumers.

In this context, although the CNMC acknowledges the relevance that the planned regulatory changes may have on the installed capacity in the ports affecting the Ibiza-Formentera route (which could impact the possible entry of new competitors and the operators that currently provide these services, especially the smaller ones), it ruled out the existence of risks to effective competition arising from the operation.

C/1274/22 VOTORANTIM / ACTIVOS HEIDELBERG

Votorantim Cementos España acquires exclusive control of the aggregates business line of Compañía General de Canteras, S.A., the cement business line of Sociedad Financiera y Minera, S.A., and the concrete and dry mortar business line of Hanson Hispania Hormigones, S.L. in southern Spain.

On 11 April 2022, the CNMC authorised the operation consisting of the acquisition of exclusive control by Votorantim Cement Spain of the aggregates business line owned by Compañía General de Canteras, S.A., the cement business line owned by Sociedad Financiera y Minera, S.A., and the concrete and dry mortar business line owned by Hanson Hispania Hormigones, S.L. in southern Spain, all owned by Heidelberg Cement Group.

Votorantim Cementos España is a company engaged in the manufacture of cement. It owns shares in companies engaged in the manufacture of cement, aggregates, mortar and concrete. Votorantim operates in the markets for the extraction of aggregates and the manufacture and sale of cement and concrete.

The Heidelberg assets acquired consist of a newly incorporated company and other assets.

The newly incorporated company will be the owner of the assets of Sociedad Financiera y Minera, S.A. (engaged in the manufacture and sale of cement) and all the shares owned by said company in Compañía General de Canteras, S.A. (engaged in the extraction and sale of aggregates for the manufacture of concrete).

This allows Votorantim to also acquire control of the aggregates business line and the assets involved in the manufacture of dry mortar and concrete in the southern region of Spain owned by Hanson Hispania Hormigones, S.L. (a company engaged in the manufacture and marketing of ready-mix concrete).

The affected markets are the clinker production market, the grey cement manufacturing market, the aggregates extraction market, the concrete manufacturing market, and the dry mortar manufacturing market.

The operation only gives rise to significant horizontal overlaps in the grey cement manufacturing market (in the 150 km and 250 km clusters around the plants). In particular, the most relevant overlaps occur in the 150 km clusters of Córdoba, Málaga and Badajoz. However, given the small addition of market share, the CNMC considers that the operation won't give rise to significant risks for competition.

In addition, in the Córdoba and Málaga clusters, the market investigation has confirmed the existence of alternative competitors, the excess of installed capacity in the market, the low supplier switching costs and the homogeneous nature of the products. Also, most of the competitors and all of the clients have stated that there are no risks to competition in the grey cement market.

There are also no risks to competition arising from vertical overlaps in the affected markets. This is due, among other factors, to the presence of alternative operators or the inability of the company resulting from the merger to alter access to cement for concrete companies with respect to the pre-existing situation.

Given all of the above, the CNMC found that the merger poses no threat to effective competition.

[C/1285/22 SNCF / TAKARGO](#)

Société nationale des chemins de fer français (SNCF) takes exclusive control of Takargo – Transporte de Mercadorias, S.A.

On 20 April 2022, the CNMC authorised the operation consisting of the acquisition of exclusive control of Takargo – Transporte de Mercadorias, S.A. by SNCF.

As a result of the operation, SNCF will also have sole control of the joint venture Ibercarga Rail, S.A. Until now, Ibercarga was a company owned by Captrain España, S.A. (a subsidiary of SNCF) and Takargo.

SNCF is owned by the French State. It provides rail transport services, both passenger and freight. In Spain, the SNCF Group is present through its subsidiaries Captrain España, Geodis, S.A. (national rail freight transport and logistics operations), Geodis, S.A. (logistics, freight transport, parcel services), Ibercarga (rail freight transport between Spain and Portugal) and its trademark Ouigo (national rail passenger transport).

Takargo is a Portuguese company engaged in providing rail freight transport services in Portugal. In Spain, the company is present through Ibercarga.

The CNMC considered that this operation poses no threat to effective competition in the markets, given that there is no significant horizontal or vertical overlap. In addition, as a result of the operation, the SNCF Group now has exclusive control of Ibercarga instead of joint control.

[C/1288/22 US ZINC/EVERZINC](#)

U.S. Zinc Corporation takes exclusive control of EverZinc Holdings B.V.

On 20 April 2022, the CNMC authorised the operation consisting of the acquisition of exclusive control of EverZinc Holdings B.V. by Zinc Bidco B.V., a US subsidiary. Zinc Corporation.

Zinc Bidco is a vehicle company, manufacturer and supplier of zinc chemical compounds. It is wholly owned by U.S. Zinc, a company dedicated to the production of zinc oxide for the tire, rubber, chemical and agricultural industries. The company also produces zinc powder for the paint and coatings sectors. U.S. Zinc is controlled by funds managed by Aterian Investment Partners GP III, L.P. (whose ultimate partner is Aterian Investment Management, L.P.).

Everzinc Holdings B.V. is a Belgian manufacturer and supplier of zinc chemicals, controlled by OpenGate Capital LLC (a global private equity firm). Everzinc focuses on the production of zinc oxide, including ultrafine zinc oxide for sunscreen and skincare products. It also manufactures and supplies FZP for battery applications.

US Zinc does not produce or supply FZP.

The CNMC considered that the merger does not pose a threat to effective competition in the markets given that the operation only gives rise to a minor overlap due to passive sales of little importance in the market for the production and supply of zinc oxide. There is no vertical relationship between the activities of the parties.

[C/1287/22 REDEXIS/CEPSA 4](#)

Redexis Gas, S.A. acquires assets of the Cepsa Group.

On 28 April 2022, the CNMC authorised the operation consisting of the acquisition by Redexis Gas, S.A. of a series of piped liquefied petroleum gas (LPG) distribution and supply assets belonging to the Cepsa Group.

Redexis Gas, S.A. is a company active in the regulated activities of natural gas and its distribution in different Spanish municipalities. Its subsidiary is active in the distribution and marketing of piped LPG. It is jointly controlled by three funds: Arbejdsmarkedets Tillægspension (ATP), Guotong Romeo Holdings Limited (GT Fund) and Chase Gas Investments LTD (indirectly controlled by the Universities Superannuation Scheme or USS).

The LPG assets of the Cepsa Group acquired by Redexis consist of a series of piped LPG supply points and facilities belonging to Cepsa and its subsidiary Gasib.

The market affected by the operation is the market for the distribution and supply of piped LPG, where both parties are active. The acquirer also operates in the market for the transport and distribution of natural gas, a market closely linked to the distribution of piped LPG to the extent that LPG can be easily converted to natural gas.

Despite certain horizontal overlaps that will take place in the piped LPG supply and distribution market in certain regions and provinces, the additions are small. Likewise, in the natural gas distribution market, Redexis' position will not be immediately altered.

In addition, assuming the possible transformation of all the acquired LPG distribution networks to natural gas networks, the operation does not give rise to significant market shares or overlaps either. Also, the merger takes place in regulated markets and there is no risk of vertical reinforcement, as Redexis is not present in the bulk LPG supply market.

Therefore, the CNMC considered that the merger does not pose a threat to effective competition in the markets.

[List of mergers approved by the CNMC.](#)

[Analysis of mergers.](#)