

PRESS RELEASE

The CNMC cleared eight mergers in the phase I in the month of February

- These purchases did not pose problems for competition in their respective markets.
- In contrast, the Commission will conduct an in-depth analysis (phase II) of the merger between the Albia and Jordial funeral companies.
- The sectors affected by the mergers included retail distribution of consumer goods, hospital services, insurance and reinsurance, chemical products, and others.

Madrid, 10 March 2021 - The CNMC cleared eight mergers in February, all of them in phase I and with no conditions, since they did not pose problems for competition in their respective markets. Furthermore, in the case of the Albia/Jordial operation, the CNMC has agreed to analyse it in phase II.

C/1150/20 AUXQUIMIA/BUDENHEIM

Auxquimia acquires control of Budenheim's forest fire retardant business line in Spain.

On 2 February 2021, the CNMC authorised, in phase I, the merger by which Auxquimia, S.A.U. acquires exclusive control of the forest fire retardant business line of Budenheim Ibérica, S.L.U., which includes the research, design, development, manufacture, marketing and sale of specific products for fighting forest fires, consisting of long-term retardants ("LTR") and short-term retardants ("STR").

Auxquimia is a Spanish company that engages in the design, manufacture and marketing of firefighting foam concentrates, specifically, class-A foam. It is owned by the SK Capital Group, which engages in the manufacture of chemical agents used to extinguish forest fires in Europe. It does so through Auxquimia and Perimeter Solutions, L.P., which produces long-term retardants.

Budenheim is a company that manufactures short-term and long-term fire retardants, including foams and water enhancers. Although the combined shares in both types of retardants, and especially in long-term retardants, are very high, there are several countervailing factors that reduce the likelihood of risks to competition resulting from the high concentration of these markets.

On the one hand, these are markets in which purchases are made mainly through public tenders, and the market test revealed the existence of alternative competitors.

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Market research has confirmed that the price level has remained largely stable in recent years, despite the presence of few operators. Furthermore, around 90% of forest fires in 2020 in Spain were extinguished solely with water, and no significant barriers to entry have been identified.

On the other hand, the vast majority of customers and competitors consulted did not express any concerns about the operation, nor did they identify any potential risks to market competition.

As a result, and considering as well the low volume of sales by the parties in the affected markets (less than one million euros), the CNMC concludes that the operation is not expected to pose a threat to competition in the markets analysed.

C/1156/20 GOODGROWER/VITHAS

Goodgrower acquires exclusive control of one of the largest hospital service providers in Spain.

On 9 February 2021, the CNMC authorised, in the first phase, the operation by which Goodgrower, S.A. acquires exclusive control of Vithas Sanidad, S.L.

Goodgrower is the head company of an investment group created in 2008 with offices in Barcelona and Madrid. It is entirely privately owned and its main activity is investing in companies in the health sector in Europe.

Vithas is a Spanish company that provides hospital services. It currently manages 20 hospitals and 20 medical centres throughout Spain, specifically, in thirteen provinces. It is currently jointly controlled by Goodgrower and Criteria. As a result of the operation, Goodgrower will gain exclusive control of Vithas.

The CNMC is of the opinion that this merger does not pose a threat to effective competition in the markets, since Goodgrower is acquiring exclusive control of Vithas, a company of which it already had joint control previously, so the operation is not expected to pose an obstacle to effective competition, since it does not modify the competitive structure of the markets.

C/1164/21 EDIFY / LIGIER

Luxembourg holding company Eidify acquires control of Ligier.

On 9 February 2021, the CNMC authorised, in the first phase, the operation by which Eidify, S.A. acquires exclusive control of Ligier Développement, SAS.

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Edify, a Luxembourg public limited company, is an industrial holding company whose activity involves capital investments in small and medium-sized industrial companies.

Ligier manufactures and sells light vehicles for individuals (without a driving licence) under the Ligier and Microcar brands. It also distributes these vehicles in France, Germany, Austria, Spain and Italy.

It also manufactures and markets light commercial and professional vehicles (without a driving licence) under its "Ligier Professional" brand name, and a driverless electric vehicle. Lastly, Ligier sells replacement parts for the vehicles it manufactures.

The CNMC does not believe that this merger poses a threat to effective competition, since the parties do not engage in economic activities in the same reference markets or in vertically related markets, meaning there are no horizontal or vertical overlaps between the parties to the operation.

C/1165/21 PAI PARTNERS S.A.S. / MYFLOWER S.A.S

The private equity company Pai Partners acquires control of Interflora, increasing its presence in the retail flower and plant business.

On 9 February 2021, the CNMC authorised, in the first phase, the merger operation in which Pai Partners, SAS acquires exclusive control of MyFlower SAS and its subsidiaries (jointly, "Grupo Interflora").

Pai Partners is a European private equity firm based in Paris (France). The company manages and advises private equity funds. Pai Funds have a policy of acquiring majority stakes in companies that are active in different sectors. The five main sectors are: commercial services, food and consumer goods, general industry, healthcare, retail and distribution.

MyFlower is a multinational private equity group that engages, through different subsidiaries, in the retail sale and delivery of flowers, plants and related products in France, Denmark, Italy, Spain and Portugal.

The CNMC finds that this merger does not pose a threat to effective competition in the markets, since there is no horizontal or vertical overlap between the parties to the transaction, meaning it will not affect the competitive structure of any market.

C/1163/21 AXA/IGUALATORIO CANTABRIA

Axa acquires the Spanish insurance company Iguualatorio Cantabria.

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On 16 February 2021, the CNMC approved, in the first phase, the merger operation consisting of the acquisition, by Axa Seguros Generales, S.A. de Seguros y Reaseguros, of the Iguatorial Cantabria Group.

Axa España is a Spanish insurance company that is authorised to engage in insurance and reinsurance activities in, among others, the field of health care.

Iguatorial Cantabria is a Spanish insurance company that is authorised to provide health insurance. It carries out its activities primarily in the Autonomous Community of Cantabria. It is also the parent company of the Mompía clinic and the Gird diagnostic company, both in Cantabria.

The addition resulting from the operation is very low, both in the broader market for healthcare insurance (0.34%) and in the narrower market for free-choice healthcare insurance (0.64%), while in the market for private healthcare services for private, hospitalised patients, Axa España will simply take over the position held by Iguatorial Cantabria.

In light of the above considerations, the CNMC does not anticipate the reported operation to pose an obstacle to effective competition in the markets analysed.

C/1143/20 Akzo Nobel Coatings, S.L./ Industrias Titan, S.A.U

Azko Nobel Coatings acquires the Titan Group's decorative coatings and industrial coatings business.

On 16 February 2021, the CNMC approved, in the first phase, the merger operation in which Akzo Nobel Coatings, S.L. acquires the decorative and industrial coatings business (excluding powder coatings) of the Titan Group.

The Akzo Nobel Group specialises in the production and marketing of a wide variety of decorative and industrial coatings. It has four production facilities in Spain. In the decorative coatings market, it operates under different brands, the most renowned being Bruguer®, Procolor®, Sikkens®, Xylazel®4 and Xyladecor®.

The transferred business includes three production plants specialising in the manufacture of decorative coatings, and their associated brands, including: Titanlux®, Titan®, Oxiron®, Titanpro®, Titanlax®, Acualux®, Unilak®, Titan Export® and Titanit®.

The main market affected is that of decorative coatings. Following a market investigation, the CNMC has concluded that there is no market segmentation by type of coating.

It is a highly fragmented market, with a large number of suppliers. Most of the
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competitors and customers confirm the presence of many alternative manufacturers for the numerous existing distributors in the market, at the national level as well. Specifically, there is a growing presence of private label brands, especially Leroy Merlin (Luxens).

In addition, there is excess installed capacity and, in general, it is easy to change providers. The barriers to market entry are not particularly significant.

Virtually all the customers and competitors questioned noted that innovation is a key driver in the decorative coatings industry. Accordingly, the market investigation did not identify the existence of any risks that innovative effort - necessary in order to maintain market position - will be reduced as a consequence of the operation.

Most of the competitors and customers consulted did not identify risks to competition resulting from this operation.

Portfolio effects are also not expected to occur, since products in the decorative coatings market are sold individually to customers.

Taking all of the foregoing into account, the CNMC concludes that the transaction is not expected to pose a threat to competition in the market analysed.

[C/1161/21 CUBICO/T-SOLAR](#)

Cubico acquires exclusive control of T-Solar.

On 16 February 2021, the CNMC authorised, in the first phase, the merger operation in which Cubico Sustainable Investments Spain, S.L. acquires sole control of Grupo T-Solar Global S.A.

Cubico is a Canadian long-term investor, owner and operator of global renewable energy projects.

T-Solar is a renewable energy platform that engages in the development, construction, management and operation of solar power plants in Spain and Italy.

The CNMC does not believe that this merger poses a threat to effective competition, since the operation gives rise to insignificant horizontal overlaps, with joint shares in the electricity generation market that are below 15% in every case, even when narrow definitions for said market are considered.

There are also no vertical risks, since even though the acquired company is present in the upstream market for the development and construction of photovoltaic plants in Spain, its shares in it, both nationally and regionally, are insignificant, all of them being below 2%.

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C/1162/21: ALBIA/JORDIAL

The CNMC agrees to start the 2nd phase of the merger operation involving Albia and Jordial, which are companies that provide funeral services.

On 16 February 2021, the CNMC agreed to analyse in depth (second-phase analysis) the merger operation in which Albia Gestión de Servicios, S.L.U. acquires sole control of practically all the assets of Jordial, S.L. related to the provision of funeral services.

Albia is a Spanish company that is part of the Santalucía Group, which provides comprehensive funeral services in Spain and manages funeral facilities (funeral homes, crematoriums and cemeteries), either its own or under concession, in 25 provinces in 11 Autonomous Communities. The Santa Lucía group is mainly active in the insurance sector, including in the funeral insurance business.

Jordial is a Spanish company that provides comprehensive funeral services in Spain. It has a funeral home and a crematorium in Aranda de Duero (Burgos) and a funeral home in Roa (Burgos).

From a vertical perspective, the operation reinforces Santa Lucía's ability to provide intra-group funeral activities for its policyholders and, potentially, for Mapfre policyholders, in these new locations (Aranda de Duero and Roa). Likewise, it could affect competition in the insurance market, allowing Albia to raise prices and worsen the quality of funeral services provided to non-policyholders, and to policyholders who are not referred by Santa Lucía. These risks to competition will be considered for the [Santa Lucía/Funespaña](#) operation, in which the vertical reinforcement of the Santa Lucía Group, as well as other risks, will be analysed in the second phase.

As part of the second phase, the CNMC will assess in depth the possible obstacles that the Albia/Jordial merger operation poses to effective competition in the markets analysed. This merger must be evaluated jointly with operation [C/1086/19 Santa Lucía/Funespaña](#), which is in the second phase.

C/1166/21 MEDIA MARKT SATURN / ACTIVOS WORTEN

Media Markt acquires certain assets and liabilities involving 17 Worten stores.

On 23 February 2021, the CNMC approved, in the first phase, the merger operation consisting of the acquisition, by Media Markt Saturn, S.A.U., of certain assets and liabilities involving 17 stores of Worten España Distribución, S.L.

Media Markt is a group of companies that primarily engage in the retail sale of consumer electronics products.

Worten is part of the Portuguese group Sonae, which is engaged in the acquisition

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and retail sale of household appliances, consumer electronics and entertainment products.

Only when the retail market for consumer electronics and household appliances is analysed, broken down by product range and geographically in the areas of influence of the stores whose assets are being acquired, are shares in excess of 30% observed. Such is the case of the store in Mijas-Miramar (Worten), which overlaps with a Media Markt store in Malaga in brown goods and small appliances, and the Barcelona stores of Montigalá and Sant Antoni for small appliances.

However, it should be noted that in the area of influence of the above stores, there is a variety of competitors, both specialising in product lines and in products of a more generic nature, which would maintain competitive pressure in the area.

Another aspect to consider is the influence that the current growth of online sales could have on physical sales in the future. In the analysis conducted nationally, this tends to reduce the resulting joint share for this geographical area.

In view of the foregoing, the CNMC concludes that this merger does not pose a threat to effective competition in the markets analysed.

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

[Merger analysis.](#)