

## The CNMC cleared 11 mergers and acquisitions in October

- None of the transactions presented problems with competition in their respective markets, so they were approved in phase 1 without commitments.
- There were concentrations in several sectors, including ship design software, car park and transportation, ice cream manufacturing and distribution, and travel agencies.

**Madrid, 22 November 2021.-** The CNMC approved 11 mergers and acquisitions in October. All were authorised in phase 1 with no need to provide commitments since they did not pose any problems to competition in the related markets.

Sectors affected included ship design software; car park and transportation; ice cream manufacturing and distribution; plagiarism detection software; cement manufacturing; air traffic management system manufacturing and marketing; and heating and air-conditioning equipment manufacturing and marketing.

### [C/1233/21 SEARCHLIGHT CAPITAL PARTNERS/FLOWBIRD](#)

#### **Searchlight Capital acquires sole control over French car park system company Flowbird.**

On 5 October 2021, the CNMC authorised Searchlight Capital Partners to acquire exclusive control of Flowbird Holding S.A.S. in phase 1.

Searchlight is a private investment firm whose securities portfolio comprises assets of companies across a wide range of industries, including food, textiles, consumer goods and telecommunications.

Flowbird is a French company that provides services related to car parks and transportation through payment solutions, car park management, ticketing for public transport, etc. It has two subsidiaries in Spain, Flowbird España S.L. and Cale Parking Ibérica S.L.

The CNMC does not consider the acquisition to pose a threat to competition. It does not give rise to any horizontal overlap or vertical relationship between the companies' operations since none are economically active in the same geographical market or core product or related market.

### [C/1232/21 SIEMENS/FORAN](#)

#### **Siemens acquires marine design software company Foran.**

On 13 October 2021, the CNMC authorised Siemens to acquire exclusive control of the Foran business unit owned by Sener Ingeniería y Sistemas, S.A. ("Sener") in phase 1.

Siemens Group focuses on intelligent infrastructures for buildings and distributed energy systems, and on automation and digitalization in the process and manufacturing industries, intelligent mobility solutions, and medical technology and digital health services.

The Foran business unit markets marine design software developed internally by Sener for the design and construction of vessels and marine structures.

The concentration transaction affects the Product Lifecycle Management (PLM) software services supply market, in which both companies operate, and specifically marine mechanical computer-aided design (MCAD) software solutions.

Siemens Group's post-acquisition share of the marine MCAD software solutions market in Spain will be over 60%. However, the CNMC considers that the operators will be competing with shares of less than 30% at European level. Moreover, it does not rule out competition from global players. The Commission also did not identify any barriers to entry in this market since a presence in Spain is not a prerequisite for offering solutions to customers. The resulting entity post-acquisition will continue to face stiff competition in the marine MCAD software solution market by companies such as Aveva and Dassault, which enjoy strong market shares at supranational level and also have operations in Spain.

The concentration combines companies that offer different solutions and could face competition from operators of MCAD software applied to other industries that could easily adapt their products to the shipbuilding sector. In addition, no risks for innovation in the sector arising from the transaction were detected.

### [C/1235/21 HELADOS ALACANT / HELADOS SOMOSIERRA](#)

#### **Helados Alacant acquires Madrid-based Helados Somosierra.**

On 13 October 2021, the CNMC authorised Helados Alacant to acquire exclusive control of Helados Somosierra in phase 1.

Helados Alacant is a Spanish company whose core business is the production of ice cream for wholesale distribution to supermarkets, ice cream parlours and small independent establishments. It is one of the 'inter-suppliers' of ice cream for Mercadona's private label goods. The group also has a token business involving the production and sale of its own Alacant, Helados Antiú Xixona and 4U Free From product brands.

Helados Somosierra is a Madrid-based company that belongs to the Crestas La Galeta group, which also owns the Somosierra and Royne brands sold in supermarket chains and other grocery stores and supplies its products to several restaurants in Madrid.

The transaction mainly affects the private label segment of the wholesale ice cream manufacturing and distribution market for home consumption in Spain. There are several companies in this market capable of competing with the combined company. There is also a high degree of countervailing power of several large retail groups (including Mercadona) as a threat of demand substitution. Therefore, the Commission does not expect the transaction to pose any threats to competition in this market. The transaction is also unlikely to have any vertical or portfolio effects.

### [C/1220/21 TURNITIN / OURIGINAL](#)

#### **Education software company Turnitin acquires plagiarism detection software company Ouriginal.**

On 19 October 2021, the CNMC gave the green light to the concentration entailing the acquisition by Group A/N, through its Turnitin L.L.C. subsidiary of exclusive control of Ouriginal Group AB.

Turnitin is an international provider of a wide range of academic software solutions, including plagiarism detection software (APS), grammar checks, digital evaluation, automated essay scoring, digital assessment creation and delivery, and online exam proctoring.

Ouriginal is a Swedish group with activity in educational technology, offering exclusively plagiarism detection software services.

The concentration will strengthen Turnitin's leadership position in the domestic APS market as the combined company will have a market share of over 50%, far ahead of the next closest competitor.

Nevertheless, certain factors could mitigate the potential risks to competition. For instance, the domestic APS market is small (i.e. total annual revenue under EUR 10 million) and the acquiree's revenue in Spain is also small. Moreover, market test results suggest the undertaking could be supranational, where it would control less than 20% of the market. In addition, Ouriginal's market share in both Spain, and Europe as a whole, is scant.

Meanwhile, there are strong competitors already operating in Spain with higher market shares at European level that could provide considerable competitive pressure. The market is also growing, with no significant barriers to entry. The CNMC also did not uncover any likely foreclosure effects or risks for innovation.

### **C/1236/21 CEMENTOS MOLINS / CALUCEM**

#### **Cementos Molins acquires control of Croatian cement company Calucem.**

On 19 October 2021, the CNMC authorised a concentration, in phase 1, whereby Cementos Molins S.A. will acquire exclusive control of the Calucem Holding D.O.O. group.

Cementos Molins is a Spanish company operating primarily in the cement industry. It specialises in manufacturing, selling, and distributing cement, concrete and aggregates. The group has more than 40 plants specialising in manufacturing and supplying concrete and 13 plants for processing aggregates, mortar and concrete prefabricates.

The Calucem group is a cement company, focusing specifically on the production of calcium aluminate cement (CAC), a special cement produced from hydraulic calcium aluminates that features rapid hardening, quick transport, fast drying and no shrinkage.

The transaction gives rise to horizontal overlaps in Spain in the market for the manufacture of calcium aluminate cement (CAC) and medium- and low-alumina content cements (MAC and LAC). However, these horizontal overlaps are minimal in Spain, as the increase in market share from Calucem's acquisition is far less than 5%. While Calucem's addition to market share at European and global level is higher, of between 10% and 20%, the combined company's share does not exceed 30% in any of the markets or segments assessed.

Also, the transaction does not give rise to any major vertical overlaps since there are no vertical overlaps in the upstream limestone extraction market. The

transaction is also not expected to produce any portfolio effects from the overlaps of the companies' product markets.

The CNMC does not consider the transaction to pose any threat to competition.

### [C/1239/21 MCH/NEGOCIO B2B URIACH](#)

#### **Private equity firm MCH acquires Uriach Group's B2B business.**

On 19 October 2021, the CNMC authorised a concentration, in phase 1, whereby the private equity firms managed by MCH Private Equity Investments, S.G.E.I.C., S.A. acquire exclusive control of Uriach Group's B2B business.

MCH Private Equity Investments, S.G.E.I.C., S.A. is a Spanish private equity firm and management company for several venture capital or private equity funds.

MCH has acquired Uriach Group's B2B business, which comprises four of its investees: Urquima, S.A., J. Uriach y Compañía, S.A., Biohorm, S.L. and Palau Pharma, S.A. The business acquired is involved in the development of molecules for third-party licensing as an active ingredient or end product for either new chemical entities (NCEs) or generics. It also makes solid and semi-solid products for pharmaceutical companies based on their marketing authorisation.

The CNMC does not consider the acquisition to pose a threat to effective competition in the markets, since it does not give rise to any horizontal or vertical overlaps between the parties.

### [C/1237/21 PHOTOBX/ALBELLI](#)

#### **Photobox merges with personalised photo product company Albelli.**

On 19 October 2021, the CNMC authorised, in phase 1, the merger between Horizon Midco Limited (Photobox) and Pixels Acquisitions B.V. (Albelli) through their integration into a newly created company.

Photobox is a UK-based company whose core business is the online sale of personalised photo products. It can print customers' digital photos or create photo books or other products (e.g. calendars, mugs) and deliver them to the customer's home or certain establishments. It operates in Spain through the Hoffman and PBX trademarks.

Albelli is a Dutch company whose business is also the online sale of personalised photo products. It has operations in several countries in Europe, but not (actively) in Spain.

The CNMC does not consider the concentration to pose a threat to effective competition in the markets since there is no significant horizontal or vertical overlap between the parties to the merger.

### [C/1234/21 THALES/NAVIGATE](#)

#### **Thales acquires Moog Inc.'s Navigate air navigation aids business unit.**

On 19 October 2021, the CNMC authorised Thales to acquire exclusive control of Moog Inc.'s Navigate air navigation aids business unit, in phase 1.

Thales Group designs and builds electrical systems and technologies worldwide for defence and security, digital identity and security, aerospace, space and ground transport applications. In the aerospace segment, it makes and sells air traffic management (ATM) systems, training and simulation solutions, nose-to-tail avionics connectivity and on-board services.

Navigate is Moog Inc.'s business arm that designs, develops, manufactures and sells ground- and ship-based radio frequency navigation beacons and antennas for civil and military applications. Specifically, Navigate makes and supplies air traffic management (ATM) systems and navigation aids (Nav aids): mainly tactical air navigation (TACAN) systems and, to a lesser extent, distance measuring equipment (DME).

In its decision, the CNMC stated that the sector affected by the acquisition was the manufacture and marketing of air traffic management (ATM) systems and, within this segment, the market sub-segments of TACAN and DME navigation aids.

The transaction gives rise to some horizontal overlap between the parties' TACAN systems and DME businesses: their combined market shares in Spain are 100% and 0%, respectively.

However, these are public tender-driven markets where competition is established by, rather than in, the market. Market share changes in step with changes in the winning bidders. Customers in Spain confirmed that the technical specifications required in the bidding documents are standardised, so any manufacturer can apply.

Moreover, market research shows that these are global markets with international competitors. The transaction is also unlikely to have any vertical or portfolio effects.

### [C/1238/21 THERMEA \(BAXI\)/HITECSA](#)

#### **Dutch heating solutions company Thermea acquires Spanish HVAC company Hitecsa.**

On 26 October 2021, the CNMC authorised BDR Thermea to acquire exclusive control of Hiplus Aire Acondicionado S.L. (“Hitecsa”) in phase 1.

Thermea is the parent company of the Netherlands-based BDR Thermea Group, which manufactures and sells heating and domestic hot water solutions. The group operates in more than 70 countries using local brands.

Hitecsa, a Spanish company, manufactures and sells high-efficiency air conditioning and climate control systems, and heating systems for centralised facilities.

The transaction creates a horizontal overlap of more than 15% in Spain in the generator (boiler) market, but involves no material change in market structure since the addition of market share in any one segment under review is less than 0.6%. The combined post-transaction market share in Spain does not exceed 35% in any segment except commercial boilers. It is not expected that the transaction will have vertical or portfolio effects.

### [C/1242/21 ALLIANZ/GT MOTIVE](#)

#### **Allianz buys GT Motive, a claims estimation and management software firm.**

On 26 October 2021, the CNMC authorised Allianz Strategic Investments S.A.R.L. to acquire exclusive control of GT Motive S.L. Group in phase 1.

Allianz is a multinational insurer and asset manager. The group operates in more than 70 countries and has more than 100 million customers worldwide.

GT Motive, a Spanish software firm, develops solutions for the automotive industry in the areas of claims estimation and maintenance and mechanical breakdown management. The company supplies estimation tools to insurers, loss adjusters and accident managers, repair shops and businesses, and fleet, leasing and warranty providers.

The CNMC finds that the acquisition does not pose a threat to effective competition given that there is no horizontal overlap between the parties' businesses, the vertical overlap is narrow, and significant competition is present. No material change will arise in the competitive structure of the market.

### [C/1240/21 VECI/LOGITRAVEL](#)

#### **Viajes El Corte Inglés S.A. merges with Logitravel.**

On 26 October 2021, the CNMC authorised the merger of the travel agencies Viajes El Corte Inglés S.A. ("VECI") and Logitravel in phase 1.

VECI, a subsidiary of El Corte Inglés, is a travel agency. Specifically, as a retailer in the leisure and corporate travel segments, VECI operates a wide network of brick-and-mortar offices. The firm is also active as a travel wholesaler. In addition, VECI brokers third-party travel products (train tickets, air fares, cruises, hotels, car rentals and Disneyland Paris packages).

The Logitravel group, owned by Tool Factory, is an online retailer and wholesaler of tourist packages. Logitravel also brokers train and air fares and hotel accommodation to its own agencies and to wholesale and retail travel agencies outside the group.

VECI's and Logitravel's businesses overlap in the retail travel market, especially in the holiday segment, and in the wholesale travel market, specifically in wholesale issuance, à la carte travel and travel to the Canary and Balearic Islands from the Spanish mainland. However, the two companies' combined market shares are less than 30% in all segments under review.

The competitive structure of the retail and wholesale travel markets involves a large number of operators -some of which are subsidiaries of major tourism groups -and an absence of barriers to entry of new operators.

The CNMC does not believe that the transaction notified will impair effective competition in the wholesale and retail travel markets, since any overlap is small and, in any event, countered by the presence of significant competition.

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

[Analysis of mergers.](#)