

## The CNMC cleared five mergers in May.

- All of them were approved in the first phase of the merger control procedure without commitments.
- Boston Scientific Corporation's acquisition of M.I. Tech CO was terminated due to withdrawal of the parties.
- The sectors affected by these transactions were FMCG (fast moving consumer goods), the funeral and insurance sector, and the manufacture of bricks, ceramic pavers and roof tiles, among others.

**Madrid, 15 June 2023.-** The Spanish National Markets and Competition Commission (CNMC) approved five mergers in May. All were approved in phase I of the merger control procedure and without commitments, as they raised no competition concerns. In addition, the BSC/M.I. TECH operation, which had been moved to phase II in February for an in-depth investigation, was terminated due to the withdrawal of the parties.

## **C2 Private Capital S.L. acquires sole control of Beauty by DIA S.A.U.**

### [C/1380/23 C2 / BEAUTY BY DIA](#)

**C2** is a Spanish holding company created as a vehicle for the acquisition of Beauty by Dia. It is wholly owned by three partners: Velvet Candles Investment, Inversiones Keblar 2013 S.L. and Nutrinsa Ingredients S.L.

**Beauty by Dia** is a Spanish subsidiary of Dia Retail España S.A.U., controlled by Distribuidora Internacional de Alimentación S.A. (Dia), a company that operates internationally in the distribution of food, household, beauty and health products.

Beauty by Dia belongs to the retail distribution sector of FMCG products (perfumes, toiletries and drugstore products in Spain). It operates both products under its own brand, "Clarel", and products under manufacturers' brands, and is present in the market both through its own shops and through franchised shops.

The merger does not pose a threat to effective competition in the markets, as it does not give rise to any type of horizontal or vertical overlap in Spain.

## **Tanatorios de Córdoba S.A. acquires sole control over the municipal funeral parlour of Luque.**

### **[C/1379/23 TANATORIOS DE CÓRDOBA / LUQUE](#)**

**Tadeco** is a company based in Córdoba whose main activity is the provision of comprehensive funeral services (including funeral parlours and cremation services in the province of Córdoba). Tadeco is jointly controlled by the companies Asv-Funeser and Albia, which are also active in funeral insurance.

**Luque** is a municipal funeral parlour with two wake rooms, managed by Mr. Flores, a self-employed businessman and the holder of the administrative concession through which he was awarded the operation of the funeral parlour.

As a result of the operation, there are marginal overlaps in the retail market for comprehensive funeral services. In the wholesale funeral parlour market, one operator is simply replaced by another.

From the point of view of vertical reinforcement, the merger does not pose a threat to competition as no risk of harm or foreclosure of competitors in the market for the provision of funeral services is identified, given the resulting market share in the funeral insurance market.

Likewise, no risk can be identified in the market for the provision of funeral insurance as there are alternative funeral parlours in the area of influence and the transferred funeral parlour is owned by the municipality, which ensures non-discriminatory and equal access.

## **Activos e Inversiones Monterroso S.L. acquires sole control over Cerámica Malpesa S.A.**

### **[\(C/1378/23\) ACTIVOS E INVERSIONES MONTERRROSO S.L. / MALPESA, S.A.](#)**

**Monterroso** is a Spanish company mainly active in the audit and tax consultancy sector. In addition, through several subsidiaries, it is engaged in the ceramics business through the wholesale trade of construction materials and the manufacture of bricks and earthenware products for construction. It also provides building construction, repair and maintenance services.

**Malpesa** is a Spanish company active in the manufacture and marketing of facing bricks and ceramic pavers. Malpesa has four large factories in the vicinity of Bailén (Jaén) and exports part of its production to international markets in different countries inside and outside the European Union.

The markets affected by the operation are the **market for the production and marketing of facing bricks and the market for the production and marketing of ceramic pavers** (products manufactured by both parties). In both markets, the operation generates horizontal overlaps of more than 30% at the national level, making the merged entity the leading player.

However, the merger does not pose a threat to effective competition in the markets given that, on the one hand, the market for the production and marketing of facing bricks has a high installed overcapacity and sufficient supply alternatives to cover the current low demand and, on the other hand, the Spanish market for the production and marketing of ceramic pavers is very residual as it does not reach 1 million euros in total.

Furthermore, as confirmed by the market research, there is a high supply-side substitutability between ceramic pavers and facing bricks and there could be some substitutability with concrete pavers, which is the most widely used paver in the market.

The acquiring company has stated that the rationale of this transaction is to increase production capacity in order to expand its presence in international markets where the demand for these products is higher. In this context, given the trend in the results of the acquired company in recent years, and the fall in the relative weight and demand for facing bricks, the resulting entity will have no incentive to increase prices.

## **Jupiter European Holdings S.L.U. acquires sole control of Acr II Aluminium Group B.V.**

### **C/1381/23 JUPITER/ALUDIUM**

**Jupiter** is a privately owned aluminium producer headquartered in the United States. The company is known for using a unique oxygen-based technology that makes its production one of the cleanest in the world. In Spain, Aludium manufactures flat rolled products (FRP).

**Aludium** is an operator whose main activity is the transformation of aluminium to produce intermediate or semi-finished products, namely aluminium coils and sheets, also known as FRP. Aludium is active in the markets for the production of semi-finished or intermediate aluminium FRPs both in Spain and in the European Economic Area (EEA).

The operation gives rise to horizontal overlaps in the market for standard FRPs, although the combined market shares of the parties do not exceed 20% at the

national level, nor 5% in the EEA (relevant geographic market). This is a market where there are sufficient competitors both nationally and in the EEA, which have higher market shares than the parties in the relevant geographic market.

Moreover, the company is also present in other markets such as those for glossy sheets, food cans, anodised aluminium sheets, and aluminium foil and its different segments, with the transaction leading only to a change of ownership of the market share in all of them, without any change in their supply structure.

These are markets with excess installed capacity, with virtually zero switching costs and where demand has a certain degree of bargaining power. There are also no significant barriers to entry.

Given all the above, this operation poses no threat to effective competition in the affected markets.

### **Acciona Generación Renovable S.A. acquires joint control of Med Wind Auxpacer S.L.**

#### **[C/138/23 ACCIONA / MED WIND](#)**

Following the transaction, Med Wing will be jointly controlled by Acciona and Compañía Europea de Producciones Energéticas.

**Acciona** is a global energy player dedicated exclusively to renewable energies, which is wholly owned by the listed entity Corporación Acciona Energías Renovables S.A. and controlled by Acciona S.A.

**Compañía Europea de Producciones Energéticas S.L. (CEPE)** is an operator whose activity consists of the participation and management of shareholdings in other companies.

**Med Wind** is a company whose activity consists of the development of wind farms either directly or through investees and their subsequent operation.

The operation gives rise to horizontal overlaps in the markets for the generation and wholesale supply of electricity in general and for the generation and wholesale supply of wind energy in particular. These overlaps are insignificant and, in any case, less than 15% in Spain, with important competitors having higher market shares than the resulting entity.

The transaction also gives rise to horizontal overlaps in the market for the promotion, development and commissioning of wind farms, both nationally and in the Valencian Community.

However, there is strong competition in the wind farm development and promotion market and these are markets where there are no significant barriers to entry, the most significant barriers being obtaining administrative authorisations and licences.

The operation gives rise to vertical overlaps between the electricity generation market (where both parties to the transaction are active) and the electricity retail market in Spain, where only Acciona is active. However, the overlaps are minor and the transaction is not expected to give rise to vertical risks.

In view of the above, the transaction is not considered to pose a risk to effective competition in the markets.

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