



Determination of the Competition Authority

Determination No. M/03/014 of the Competition Authority, dated 16th June 2003, under Section 21 of the Competition Act, 2002

Notification No. M/03/014 – Acquisition by Lisbonne Finance 3 SA, funded by Electra Funds, of the Gardiner Group from CDME UK Limited and Rexel France SAS

Introduction

1. On 29th May 2003 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal comprising a leveraged buy out, whereby Lisbonne Finance 3 SA (“Lisbonne”) would acquire Gardiner Group Management SA, Gardiner Group plc, Stentorius SAS and JLD SAS (together “the Gardiner Group”) from CDME UK Limited and Rexel France SAS (“the Vendors”).

The Parties

2. Lisbonne is a new company acquisition vehicle, which is being financed by Electra Funds, a group of companies owned by Electra Partners Limited, a private equity investment firm. Fourteen per cent of the equity in Lisbonne is owned by the management team involved in the purchase and the remainder is owned by Electra Funds. Electra Partners Limited has two subsidiaries in Ireland, BWG Group, which owns the SPAR trademark in the State and Safety Kleen Limited which is involved in the renting and servicing of plant degreasing and cleaning equipment.
3. The Gardiner Group is a distributor of electronic security products such as intruder alarms and CCTV and is present in a number of European countries including Ireland. Its Irish operations are conducted through Gardiner Security (IE) Limited.

Analysis

4. Neither Lisbonne, Electra Funds nor Electra Partners nor any of its subsidiaries carry on business in Ireland or elsewhere in the area of electronic security equipment. Accordingly there is no overlap in the parties’ activities in this area and the transaction does not give rise to competition concerns.

Determination

5. The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.



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For the Competition Authority

**Terry Calvani
Member of the Competition Authority**

16th June 2002