



Determination No. M/04/031 of the Competition Authority, dated 11th June 2004, under Section 21 of the Competition Act, 2002

Notification No. M/04/031 – Proposed acquisition by Kerry Group plc of J. Manheimer Inc.

Introduction

1. On 12th May 2004 date 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 whereby Kerry Group plc (Kerry Group) would acquire J. Manheimer Inc (Manheimer).

The Parties

2. Kerry Group is headquartered in Ireland and is a leading global provider of food ingredients, branded foods and flavours. The Group’s Mastertaste division, which is acquiring Manheimer, produces flavours including botanical/herbal extracts, savoury flavours, sweet flavours, cheese and dairy flavours and functional flavours. Kerry Group’s sales of flavours in the State are under €1m.
3. Manheimer is active in formulating, processing and distributing flavours, fragrances ingredients and speciality products. Its headquarters are in the US and it has sales into Ireland of carbonated beverage flavours and essential oils amounting to less than €2m.

Analysis

4. The parties estimate that sales of flavours in Ireland amount to €45m and, of this, Kerry Group’s share is less than 2% and Manheimer’s is less than 4%. Given the parties’ relatively small sales in the State and the existence of a number of competitors, including International Flavors and Fragrances, Givaudan and Symrise, the transaction does not give rise to concerns.



The Competition Authority
An tÚdarás Iomáíochta

Determination

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 by Kerry Group plc of J. Manheimer Inc. 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.

For the Competition Authority

Edward Henneberry
Member of the Competition Authority

11th June 2004