



DETERMINATION OF MERGER NOTIFICATION M/21/019 – BRINDLEY (ORPEA)/ BELMONT

Section 21 of the Competition Act 2002

Proposed acquisition by The Brindley Manor Federation of Nursing Homes Limited of sole control of Belmont Healthcare Limited

Dated: 30 April 2021

1. On 14 April 2021, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby The Brindley Manor Federation of Nursing Homes Limited (“Brindley Manor”), an indirect subsidiary of Brindley Healthcare Limited (“Brindley”), would acquire sole control of Belmont Care Limited and its subsidiaries (“Belmont”) (the “Proposed Transaction”).

2. The business activities of the undertakings involved are:
 - The Acquirer:
 - Brindley Manor is an indirect subsidiary of Brindley and is active in the provision of residential care and nursing home services in the State. Brindley is jointly controlled by Orpea S.A (“Orpea”) and Drumineney Investment Holdings Designated Activity Company (“Drumineney”)¹.
 - Orpea is active in the residential care and nursing home services sector worldwide, with a presence across 22 countries on three continents. Orpea, through its TLC nursing home portfolio² and joint control of Brindley,³ has 15 residential care and nursing homes in the state, located in counties Dublin, Kildare, Laois, Donegal, Galway, Mayo and Tipperary.
 - Drumineney is solely controlled by one individual, Ms Amanda Torrens. Drumineney, through its joint control of Brindley, is active in the provision of residential care and nursing home services in the State.

¹ The Commission has been notified that Orpea S.A intends to acquire sole control over Brindley Healthcare Limited, merger notification M/21/020 – Orpea / Brindley.

² 5 nursing homes.

³ 10 nursing homes.

- The Target - Belmont:
 - Belmont is a private limited company incorporated in Ireland and is active in the provision of residential care and nursing home services in the State. Belmont has one residential care and nursing home in the State, Belmont Nursing Home, located in County Dublin. Belmont's entire issued share capital is held by Malaja Designated Activity Company ("Malaja").

Assessment

3. After examination of the notification, the Commission has considered that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act since Brindley and Belmont are active in the same product and geographic markets, but their combined market share is less than 15% in any potential market in the State.
4. In light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

5. The Parties state in the notification that certain ancillary restraints in relation to the Proposed Transaction are included in Clause 12 of the Share Purchase Agreement ("SPA"). The parties submit that these restrictions are directly related and necessary to the Proposed Transaction.
6. The scope and duration of the restrictions of Clause 12.1.1 of the SPA does not exceed the maximum scope and duration acceptable to the Commission. The Commission considers the restrictions in Clause 12.1.1 of the SPA to be directly related to and necessary for the implementation of the Proposed Transaction, insofar as they relate to the State.
7. The Commission notes that Clause 12.1.2 of the SPA contains other restrictive obligations which restrict Malaja from [...]. The Commission notes that, unlike the restrictions in Clause 12.1.1 of the SPA, the restrictions contained in Clause 12.1.2 of the SPA are not limited in time and apply at any time after completion of the Proposed Transaction. For these reasons, the Commission has not reached a view as to whether or not Clause 12.1.2 of the SPA is directly



related and necessary to the implementation of the Proposed Transaction. Clause 12.1.2 of the SPA will not therefore benefit from the protections offered by sections 4(8) and 5(3) of the Act.

Determination

8. The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby The Brindley Manor Federation of Nursing Homes Limited, an indirect subsidiary of Brindley Healthcare Limited would acquire sole control over Belmont Care Limited and its subsidiaries will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Ibrahim Bah
Director
Competition Enforcement and Mergers