



DETERMINATION OF MERGER NOTIFICATION M/22/040 – Q-PARK/TAZBELL

Section 21 of the Competition Act 2002

Proposed acquisition by Q-Park Ireland Limited of sole control of Tazbell Services Group DAC

Dated 19 December 2022

Introduction

1. On 4 August 2022, 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 the proposed acquisition by Q-Park Ireland Limited (“Q-Park”) of sole control of Tazbell Services Group Designated Activity Company (“Tazbell”), Sarlon Limited and Maukin Limited, (the “Proposed Transaction”).

The Proposed Transaction

2. The Proposed Transaction involves the acquisition by Q-Park of the entire issued share capital, and thus sole control, of Tazbell, Sarlon Limited and Maukin Limited from various vendors¹ pursuant to a Share Purchase Agreement dated 25 July 2022.

The Undertakings Involved

The Acquirer – Q-Park

3. Q-Park is a member of a group of companies whose parent is Q-Park Holding BV (together, the “Q-Park Group”). The Q-Park Group is active in various locations in Ireland, the Netherlands, Belgium, Germany, the United Kingdom, France and Denmark.

¹[...]. A number of the vendors are represented by [...].



4. In the State, Q-Park provides car parking to the public. It is an off-street parking infrastructure owner and operator that is active in various locations across the State, specifically in counties Cork, Dublin, Galway, Limerick and Wicklow.
5. Q-Park currently operates 17 car parking facilities in various locations in the State and has a total of 6,893 spaces under its management.
6. For the financial year ending 31 December 2021, Q-Park's worldwide turnover was approximately €[...], of which €[...] was generated in the State.

The Target – Tazbell

7. Tazbell and its subsidiaries, including Park Rite Limited provides car parking management services, on-street parking enforcement services, toll operations services and parking consulting services to customers in the State. Tazbell operates 24 car parks facilities in various locations across the State and has a total of 12,352 spaces under its management.
8. Tazbell provides on-street parking enforcement services and related customer services (including correspondence, payment management appeals and complaint management) to Dublin City Council, via its wholly-owned direct subsidiary Dublin Street Parking Services Limited.
9. Further, Tazbell provides consulting services for the feasibility and planning phases of parking projects and in respect of the investment and renewal of car parks. Tazbell is active in car park management services in counties Dublin, Galway, Limerick, Kilkenny and Offaly.
10. Tazbell provides toll operation services on the M3 and M4 toll-roads via its subsidiary Tazbell Limited, trading as *Toll Collection Services*.
11. Maukin Limited and Sarlon Limited are holding companies for shares in Tazbell.
12. For the financial year ending 31 December 2021, Tazbell's turnover was approximately €[...], all of which was generated in the State.



Rationale for the Proposed Transaction

13. The parties state the following in the notification:

“The Vendors wish to sell Tazbell. The parties believe that there would be a strong cultural fit between their two businesses which would allow them to grow and their employees to flourish post-completion. The parties have an excellent complementary spread of off-street parking locations throughout Ireland and the Proposed Transaction will allow the merged entity to better compete with larger or more integrated competitors. Unlike Park Rite, Q-Park does not offer onstreet or off-street parking enforcement services.”

Third Party Submissions

14. One third party submission was received. The Commission engaged with this third party to discuss its submission in greater detail. The competition concerns expressed in the third party submission have been assessed by the Commission as part of its review of the likely competitive impact of the Proposed Transaction.

Investigation

15. On 14 September 2022, the Commission served a Requirement for Further Information (“RFI”) on each of Q-Park and Tazbell (the “Parties”) pursuant to section 20(2) of the Act. The service of these RFIs adjusted the deadline within which the Commission had to conclude its assessment of the Proposed Transaction in Phase 1.
16. Upon receipt of full responses to the RFIs, the “appropriate date” (as defined in section 19(6)(b)(i) of the Act) became 9 November 2022.²
17. During the Phase 1 investigation, the Commission requested and received further information and clarifications from the Parties.

² The “appropriate date” is the date from which the time limits for making both Phase 1 and Phase 2 determinations begin to run.



18. The Commission also engaged with third parties in relation to its assessment of the competitive effects of the Proposed Transaction. The third party engagements consisted of market enquiries which included contacting competitors, customers, and other industry stakeholders by email. In some cases, the Commission also spoke to third parties by telephone to further discuss their views.

Analysis

19. The Commission is unable, at this stage, to make a determination that the result of the Proposed Transaction will not be to substantially lessen competition in markets for goods or services in the State. Accordingly, it intends to carry out a full investigation under section 22 of the Act.



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(b) of the Competition Act 2002, as amended (the “Act”), has determined that it intends to carry out a full investigation under section 22 of the Act in relation to the proposed acquisition by Q-Park Ireland Limited of sole control of Tazbell Services Group Designated Activity Company, Sarlon Limited and Maukin Limited.

For the Competition and Consumer Protection Commission.

Patrick Kenny

Member

Competition and Consumer Protection Commission