



## DETERMINATION OF MERGER NOTIFICATION M/22/064 VYRGA (ERISBEG)/EOLAS RECRUITMENT

### Section 21 of the Competition Act 2002

**Proposed acquisition by Vyrga Holdings Limited of the entire issued share capital of Eolas Recruitment Limited.**

**Dated 27 December 2022**

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1. On 12 December 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 a proposed acquisition whereby Vyrga Holdings Limited (“Vyrga”), which was set up by Erisbeg I LP (“Erisbeg”), will acquire the 100% of the issued share capital of Eolas Recruitment Limited (“Eolas”) (together “the Parties”) (the “Proposed Transaction”).
2. The Proposed Transaction is to be implemented pursuant to two share purchase agreements:
  - (1) the share purchase agreement dated 25 November 2022 between Vincent Flynn, Mary Flynn and Oneiro Limited (as “Vendors”) and Vyrga Holdings Limited (as buyer) (the “Majority Shareholder SPA”); and,
  - (2) the share purchase agreement dated 25 November 2022 between Stephen Daly and Peter Kirby (as “Sellers”) and Vyrga Holdings Limited (as buyer) (the “Minority Shareholder SPA”) (the “SPAs”).
3. Following implementation of the Proposed Transaction, Vyrga will acquire sole control of Eolas.
4. The business activities of the undertakings involved are:
  - The Acquirer - Vyrga:



- Vyrge is a private limited company formed under Irish law under company number 727256 and is a wholly owned subsidiary of Erisbeg, an Irish limited partnership.
- Erisbeg is the ultimate legal and beneficial owner of the Erisbeg group of companies (“the Erisbeg Group”).
- The Erisbeg Group is a private equity fund which holds the interests detailed in Table 1 below.

Table 1: Interests held by Erisbeg Group in the State

Company	Business Activities
[...]	[...]
Christopher Mee And Associates Limited (the “Chris Mee Group”)	Provides training, consultancy, recruitment, and compliance services to businesses in a wide range of industry sectors.
[...]	[...]
[...]	[...]
[...]	[...]

- The Chris Mee Group provides health and safety, EHS,<sup>1</sup> safety consultants training, environmental and carbon emissions services. CMSE Recruitment, one of the businesses of the Chris Mee Group, provides temporary and permanent employment services regarding EHS officers/personnel, fire and safety officers/personnel, construction safety officers/personnel, safety personnel and process engineers.

<sup>1</sup> “EHS” refers to environmental health and safety.



These services are offered to sectors such as pharma, medical device, manufacturing and construction.

- The Target - Eolas:
  - Eolas was incorporated in Ireland under registration number 313338. It is active in the market for temporary and permanent employment services in the State, focussing specifically on IT employment services.
- 5. After examination of the notification, the Commission has concluded 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 Erisbeg and Eolas are active in the same product and geographic market, but their combined share is less than 15%.
- 6. In the 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**

- 7. The Commission notes that Clauses 4.2.1(a) and 4.2.1(d) of the Majority Shareholders SPA, dated 25 November 2022, contains certain non-compete and non-solicitation obligations on the Vendors. The Commission notes that these restrictions are limited in scope and do not exceed the maximum duration acceptable to the Commission. The Commission considers that they are directly related to and necessary for the implementation of the Proposed Transaction, in so far as they relate to the State.



8. The Commission notes that Clause 4.2.1(b) of the Majority Shareholders SPA, dated 25 November 2022, imposes an obligation upon the Vendors not to *“in competition with the Company during the Restricted Period, procure or seek to procure orders from or do business with or procure directly or indirectly any other person to procure orders from or do business with any person who is at Completion, or who has been at any time during the period of twelve months immediately preceding Completion, a customer or supplier to the Company”*.<sup>2,3,4</sup> The duration of these non-procurement obligations does not exceed the maximum duration acceptable to the Commission. The Commission considers these non-procurement obligations to be directly related to and necessary for the implementation of the Proposed Transaction insofar as they relate to the State.
9. The Commission notes that Clause 4.2.1(c) of the Majority Shareholders SPA, dated 25 November 2022, imposes an obligation upon the Vendors not to *“during the Restricted Period, knowingly take such steps that would have a material effect on the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who are at Completion, or who have been at any time during the twelve months immediately preceding Completion, supplying, materials, components, products, good or services to the Company”*. The duration of these obligations does not exceed the maximum duration acceptable to the Commission. The Commission considers these obligations to be directly related to and necessary for the implementation of the Proposed Transaction insofar as they relate to the State.
10. The Commission notes that Clauses 5.2.1(a) and 5.2.1(d) of the Minority Shareholders SPA, dated 25 November 2022, contains certain non-compete and non-solicitation obligations on the Sellers. The Commission notes that these

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<sup>2</sup> “Company” refers to Eolas Recruitment Limited.

<sup>3</sup> “Restricted Period” refers to *“the period of two years from the Completion Date”* and

“Completion Date” refers to *“the date of Completion in accordance with Clause 5”* of the Majority Shareholders SPA.

<sup>4</sup> “Completion” refers to *“completion of the purchase and sale of the Sale Shares provided for in this Agreement in accordance with the provisions of Clause 5”* of the Majority Shareholders SPA.



restrictions are limited in scope and do not exceed the maximum duration acceptable to the Commission. The Commission considers that they are directly related to and necessary for the implementation of the Proposed Transaction, in so far as they relate to the State.

11. The Commission notes that Clause 5.2.1(b) of the Minority Shareholders SPA, dated 25 November 2022, imposes an obligation upon the Sellers not to *“in competition with the Company during the Restricted Period, procure or seek to procure orders from or do business with or procure directly or indirectly any other person to procure orders from or do business with any person who is at Completion, or who has been at any time during the period of twelve months immediately preceding Completion, a customer or supplier to the Company”*.<sup>5,6,7</sup>

The duration of these non-procurement obligations does not exceed the maximum duration acceptable to the Commission. The Commission considers these non-procurement obligations to be directly related to and necessary for the implementation of the Proposed Transaction insofar as they relate to the State.

12. The Commission notes that Clause 5.2.1(c) of the Minority Shareholders SPA, dated 25 November 2022, imposes an obligation upon the Sellers not to *“during the Restricted Period, knowingly take such steps that would have a material effect on the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who are at Completion, or who have been at any time during the twelve months immediately preceding Completion, supplying, materials, components, products, good or services to the Company”*.

The duration of these obligations does not exceed the maximum duration acceptable to the Commission. The Commission considers these obligations to

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<sup>5</sup> “Company” refers to Eolas Recruitment Limited.

<sup>6</sup> “Restricted Period” refers to *“the period of two years from the Completion”*.

<sup>7</sup> “Completion” refers to *“completion of the sale and purchase of the Shares in accordance of Clause 4”* of the Minority Shareholders SPA.



be directly related to and necessary for the implementation of the Proposed Transaction insofar as they relate to the State.



### **Determination**

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 Vyrga Holdings Limited will acquire the entire issued share capital of the group of companies held by Eolas Recruitment Limited, 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 Division**  
**Competition and Consumer Protection Commission**