



DETERMINATION OF MERGER NOTIFICATION M/23/063 – HIG CAPITAL / DX GROUP

Section 21 of the Competition Act 2002

Proposed acquisition by HIG Capital LLC, through its wholly owned subsidiary Transit Bidco Limited, of sole control of DX (Group) plc, has been notified to the Competition and Consumer Protection Commission

Dated 06 December 2023

1. On 20 November 2023, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission received a notification of a proposed acquisition whereby HIG Capital LLC (“HIG Capital”), through its wholly owned subsidiary Transit Bidco Limited (“Bidco”), will acquire sole control of DX (Group) plc (“DX Group”) (the “Proposed Transaction”).
2. The Proposed Transaction will be implemented by way of Court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act and pursuant to the terms of the 2.7 Announcement. Pursuant to the scheme of arrangement, Bidco will acquire the entire share capital of DX Group such that, following completion of the Proposed Transaction, HIG Capital (via Bidco) will have sole control of DX Group for the purposes of the Act.
3. The notifying parties are involved in the following business activities:
 - **HIG Capital:** is a global private equity and alternative assets investment firm based in Miami, with offices in the USA, Europe, and South America. HIG Capital specialises in providing both debt and equity capital to small and mid-sized companies.
 - A number of portfolio companies controlled by HIG Capital generate revenue from sales to customers located in the State and operate in various sectors. These sectors range from IT solutions and network integration, translation



marketing and multilingual communications solutions, speciality staffing and consulting services, to the supply of pharmaceutical products.

- **Bidco:** is a private limited company incorporated in England which is wholly-owned by funds advised and managed by HIG Capital. Bidco was formed for the purposes of the Proposed Transaction.
- **DX Group:** is a provider of a wide range of delivery services, including parcel freight, secure, courier and logistics service. In the State, DX's operations involve a mail and parcel delivery service for business customers and an exchange network service primarily for legal and commercial documents. DX Group operates two divisions:
 - a) **DX Freight:** DX freight provides collection and overnight delivery of larger and heavier items, including those with irregular dimensions and weight, to businesses and residential addresses in the UK, via the DX freight central hub and depots.
 - b) **DX Express:** DX Express provides collection and express delivery of time-sensitive items for business-to-business and business-to-consumer customers, via the DX Express hub and its UK and Ireland network.
- DX's operations in the State involve a mail and parcel delivery service for business customers and an exchange network service primarily for legal and commercial documents.¹ DX's Irish operations are conducted through its (indirect) wholly-owned subsidiary, DX Network Services Ireland Limited.

4. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1(b) of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act, as none of the undertakings involved² in the merger or acquisition are active or potentially active in the same product and geographic markets, or in any market(s) which is upstream or downstream to a market(s) in which another undertaking involved is

¹ The following clarifying point is provided by the Parties: "For completeness, DX Freight consignments from the UK may be delivered into Ireland but DX does not offer freight services in Ireland and any such consignments are not handled by DX's Irish operations."

² See Article 2 of the CCPC [Notice in Respect of Certain Terms Used in Part 3](#)



active or potentially active. In addition, none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNP Guidelines apply to the undertakings or the markets in which the undertakings operate.

5. 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

6. No ancillary restraints were notified.



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 HIG Capital LLC, through its wholly owned subsidiary Transit Bidco Limited, will acquire sole control of DX (Group) plc, 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
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Competition and Consumer Protection Commission