



M/23/062 – SELECT / DID ELECTRICAL

Section 21 of the Competition Act 2002

Proposed acquisition by Select Technology Sales and Distribution Group Limited of Home Appliances Electrical Holdings Limited t/a DID Electrical.

Dated: 6 December 2023

1. On 20 November 2023, in accordance with s18(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 Select Technology Sales and Distribution Group Limited (‘Select’) would acquire the entire issued share capital of Home Appliances Electrical Holdings Limited (“Home Appliances”), the holding company for Home Appliances ULC. Home Appliances Limited trades as DID Electrical (the “Proposed Transaction”).
2. The Proposed Transaction will be implemented pursuant to a share purchase agreement, dated 20 November 2023, between Ardmel Holdings ULC, and Select Technology Sales and Distribution Group Limited (the “SPA”). According to the SPA, Select will acquire Ardmel Holdings ULC’s entire share capital of Home Appliances Electrical Holdings Limited.
3. The business activities of the undertakings involved are:

The Purchaser – Select

- Select is a retailer of consumer electronic products. This includes information technology (“IT”) products and telecommunication products such as computers, tablets, iPads and mobile phones. Select has two subsidiaries in the retail markets in consumer electronics in Ireland and the UK, namely, Select Technology Sales and Distribution (Irl) Limited and Select Technology Sales and Distribution (UK) Limited. The Irish subsidiary, Select Technology Sales and Distribution (Irl) Limited, operates from six retail stores in Ireland and an online website with deliveries nationwide. Select was previously known as Compu B.
- In the State, Select sells consumer electronics such as mobile phones, Apple Mac computers, Air Pods, etc. Select primarily sells Apple products and associated Apple



accessories with the exception of some other associated accessories and a very small amount of other branded products.

- Select has an identical business model in the UK in which all sales flow through a separate UK subsidiary. Select's UK subsidiary sells their products through 23 stores, online sales and business to business sales.

The Target – DID Electrical

- DID Electrical is a retailer of electrical appliances such as dishwashers, televisions, refrigerators, etc. DID Electrical also sells consumer electronics such as mobile phones, laptops and tablets from a number of different brands. DID Electrical operates from 23 stores across the State and has an online website which delivers nationwide.
4. 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 ("SMNPG") for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act since the parties are active in the same product and geographic market, but their combined market share is less than 15%. Additionally, none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNPG apply to the Proposed Transaction.
 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. The Parties state that Clause 9.1.1 of the SPA contains a restriction that is directly related and necessary to the implementation of the Proposed Transaction.
7. The Commission notes that Clause 9.1.1 of the SPA contains a non-compete restriction on the Seller for 24 months. The Case Team considers that the duration and scope of this obligation does not exceed the maximum duration and scope acceptable to the Commission.¹ Therefore, the Commission considers the restriction contained in Clause 9.1.1. of the SPA to be directly related and necessary to the implementation of the Proposed Transaction, insofar as it relates to the State.

¹ In this respect, the Commission follows the approach adopted by the European Commission in paragraphs 20 of its Notice on restrictions directly related and necessary to concentrations (2005) OJ C56/03.



8. The Commission notes that Clause 9.1.2. of the SPA contains a non-solicitation of senior employees restriction. The Commission considers that the duration and scope of this obligation does not exceed the maximum duration and scope acceptable to the Commission. Therefore, the Commission considers the restriction contained in Clause 9.1.2. of the SPA to be directly related and necessary to the implementation of the Proposed Transaction, insofar as it relates 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 Select Technology Sales and Distribution Group Limited would acquire the entire issued share capital of Home Appliances Electrical Holdings Limited, the holding company for Home Appliances ULC, 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 Enforcement and Mergers