



DETERMINATION OF MERGER NOTIFICATION M/23/058 – EIM / CERTAIN ASSETS OF THE PRESS UP GROUP

Section 21 of the Competition Act 2002

Proposed acquisition by Luxembourg Investment Company 459 S.À.R.L, an indirectly solely controlled entity by Elliot Investment Management, of the following eight hotels: The Dean Dublin; The Mayson Dublin; The Clarence Dublin; The Devlin Dublin; The Leinster Dublin; The Glasson Lakehouse; The Dean Galway; and The Dean Cork, and operational control of The Butler Arms.

Dated: 16 November 2023

Introduction

1. On 1 November 2023, 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 Luxembourg Investment Company 459 S.À.R.L, an indirectly solely controlled entity by Elliot Investment Management (“EIM”), would acquire sole control of the following eight hotels currently operated by the Press Up Group: The Dean Dublin; The Mayson Dublin; The Clarence Dublin; The Devlin Dublin; The Leinster Dublin; The Glasson Lakehouse; The Dean Galway; The Dean Cork. EIM will also acquire operational control of The Butler Arms (the “Proposed Transaction”). Collectively these nine hotels are referred to as the Target Hotels. (EIM and the Press Up Group are collectively referred to as the “Parties”).

The Proposed Transaction

2. The Proposed Transaction is to be implemented pursuant to a share purchase agreement dated 27 October 2023 (“the SPA”) between Luxembourg Investment Company 459 S.À.R.L, a Luxembourg entity indirectly solely controlled by EIM, and Keillan Limited. Under the Agreement, EIM will acquire the Keillan’s interest in Vision Swipe Limited (“Vision”), Warlington Key Limited (“Warlington”), and Willow Impact Limited (“Willow”).
3. Each of Vision, Warlington and Willow are Irish incorporated entities which hold Keillan’s interest in the Target Hotels (other than The Butler Arms). In addition, EIM will also acquire Riseya Limited (“Riseya”), a newly-incorporated Irish entity of the Press Up Group which will hold the contracts for



the relevant employees, brands and other IP associated with the hotel management businesses of the Target Hotels – and other management activities as described below. EIM, through Riseya, will also acquire the right to enter into a Hotel Management Agreement in respect of: (i) The Butler Arms; and (ii) eight future hotels which will become operational in the future namely: The Dean Birmingham, The Dean Belfast, The Dean Kilkenny, The Dean Limerick, Loftus Hall, Dunboy Castle, Brittas Bay Beach House, and Mayfield Manor.

4. The business activities of the undertakings involved are:

EIM

- **EIM** is a US-based investment management company which was founded in 1977. EIM employs a multi-strategy trading approach that encompasses a broad range of strategies, including, without limitation: equity-oriented, private equity and private credit, distressed securities, non-distressed debt, hedge/arbitrage, real estate-related securities, commodities trading and portfolio volatility protection.
- EIM holds investments in several portfolio companies. These portfolio companies are active across a variety of sectors, including banking, finance, and insurance; asset management; leasing; manufacturing; energy; hospitality; logistics and mobility; IT and telecommunications; and food and beverage. In the State, EIM holds several business interests, as described below:
 - EIM is active in the hotel sector in Ireland through the operation of a single hotel in Dublin, [...].
 - **Cloud Software Group:** EIM has joint control of Cloud Software Group through (...). Cloud Software Group is a cloud computing and virtualization technology company which provides server, application and desktop virtualisation, networking, software as a service and cloud computing technologies. This business was formed following the acquisition of Citrix and combination with TIBCO Software.¹

¹ Please see further information at the following link: <https://www.cloud.com/>



- **Gigamon:** EIM has joint control of Gigamon through (...). Gigamon provides network-derived intelligence for cloud computing, security, and observability tools.²
- **Nielsen:** EIM has joint control of Nielsen through (...). Nielsen is an information, data analytics and market measurement firm.³
- **Waterstones:** EIM controls Waterstones through (...). Waterstones is a business active in retail book sales.⁴
- **Clares Accessories:** EIM controls Clares Accessories through (...). Clares Accessories is active in the business of the retail of women's clothing accessories.⁵

Target – Certain Assets of the Press Up Group

- The Press Up Group is one of Ireland's largest groups in the food and hospitality sector.⁶ The Press Up Group holds an interest in hotels, restaurants, bars, and cinemas, along with hotel spas, hotel gyms and hotel golf courses. The Press Up Group has a total of 9 hotels with a combined total of 666 rooms.⁷
- Under the Proposed Transaction, EIM is intending to acquire a controlling share in the following Target Hotels:

Table 1: The Target Hotels

| Target Hotel | Location | No. of Bedrooms | Star Rating |
|--------------|--------------------|-----------------|-------------|
| The Clarence | Dublin city centre | 59 | 4* |

² Please see further information at the following link: <https://www.gigamon.com/>

³ Please see further information at the following link: <https://www.nielsen.com/>

⁴ Please see further information at the following link: <https://www.waterstones.com/help/about-us/44>

⁵ Please see further information at the following link: <https://corporate.clares.com/>

⁶ Source: Press Up Group website: <https://pressup.ie/about/>

⁷ Source: Press Up Group website: <https://pressup.ie/about/>



| | | | |
|--|--------------------------|------------|----|
| The Dean Cork | Cork city centre | 112 | 4* |
| The Dean Dublin | Dublin city centre | 100 | 4* |
| The Dean Galway | Galway | 100 | 4* |
| The Devlin | Ranelagh, Dublin | 40 | 4* |
| Glasson Lakehouse | Westmeath | 70 | 4* |
| The Leinster | Dublin city centre | 55 | 4* |
| The Mayson | Dublin city centre | 94 | 4* |
| The Butler Arms (operational control) | Waterville, Co. Kerry | 36 | 4* |
| Total | | 666 | |

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 (“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.

Ancillary Restraints

6. The Commission notes that Clause 16.2(a) of the SPA contains a non-compete restriction on Patrick McKillen Jr and each member of the seller’s group for a period of 2 years following the date of completion of the Proposed Transaction. The Commission considers that the duration and scope of this obligation does not exceed the maximum duration and scope acceptable to the Commission.⁸ Therefore, the Commission considers the restriction contained in Clause 16.2(a) of the SPA to be directly related and necessary to the implementation of the Proposed Transaction, insofar as it relates to the State.

⁸ 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.



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 Luxembourg Investment Company 459 S.À.R.L, an indirectly solely controlled entity by Elliot Investment Management, would acquire sole control of the following eight hotels from the Press Up Group: The Dean Dublin; The Mayson Dublin; The Clarence Dublin; The Devlin Dublin; The Leinster Dublin; The Glasson Lakehouse; The Dean Galway; and The Dean Cork, and operational control of The Butler Arms, 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