



DETERMINATION OF MERGER NOTIFICATION M/24/004 INTERMEDIATE CAPITAL GROUP/MERRAIN & COMPAGNIE/ OAK NATION

Section 21 of the Competition Act 2002

Proposed acquisition by Intermediate Capital Group and Merrain & Compagnie of joint control of Oak Nation.

Dated 09 February 2024

Introduction

1. On 24 January 2024, 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 Intermediate Capital Group PLC (“Intermediate Capital Group”), along with Merrain & Compagnie SAS (“Merrain & Compagnie”) will acquire joint control of Oak Nation (“Oak Nation”) (the “Proposed Transaction”).

The Proposed Transaction

2. Currently, Merrain & Compagnie which is ultimately controlled by Mr. Sylvain Charlois, is the sole controller of Oak Nation. The Proposed Transaction is to be implemented pursuant to an investment agreement dated 22 December 2023 between Faass Investments S.A.R.L., Merrain & Compagnie, Mr. Sylvain Charlois, Oak Nation, and Black Oak (the “Sellers”) (the “IA”). Pursuant to the IA, Intermediate Capital Group will acquire [REDACTED] of the total issued share capital of Oak Nation.
3. Following implementation of the Proposed Transaction, the relationship between Intermediate Capital Group and Merrain & Compagnie will be governed by a draft Shareholders Agreement (“SHA”). Pursuant to the SHA, Intermediate Capital Group and Merrain & Compagnie will hold [REDACTED] and [REDACTED] respectively of the total issued share capital of Oak Nation.



4. In relation to Intermediate Capital Group's acquisition of joint control of Oak Nation, the Proposed Transaction involves Intermediate Capital Group acquiring [REDACTED]
[REDACTED]
[REDACTED]

5. The business activities of the undertakings involved are:

- **The Acquirer – Intermediate Capital Group:**

- Intermediate Capital Group is a global alternative asset manager in structured and private equity, private debt, real assets and credit based in the UK as well as, Europe, Asia Pacific and the USA. The Proposed Transaction involves Intermediate Group acquiring joint control of Oak Nation through its subsidiary, Faass Investments S.A.R.L., which is held by a fund advised by affiliates of Intermediate Capital Group.

- Intermediate Capital Group control many portfolio companies which it develops long-term relationships with and assist to achieve their investment objectives. [REDACTED]
[REDACTED]
[REDACTED]

- Merrain & Compagnie and Oak Nation are both part of the wider Charlois Group which owns [REDACTED] companies and has approximately [REDACTED] employees. The companies that make up the Charlois Group specialise in a range of expertise including aspects of the cooperate trade such as selecting oak trees, splitting timber and air-drying stave wood. The Parties have confirmed that The Charlois Group has no turnover/activity in Ireland apart from Oak Nation.

- **The Target – Oak Nation:**

- Oak Nation is involved in activities relating to all phases of barrel production, including forestry, sawmilling operations, stave production and seasoning, large cask making and valorisation, recycling of used oak barrels



and the production of railway sleepers in their sawmills. Oak Nation currently has thirty subsidiaries in France, Spain, Romania, and the United States which accumulates to 6,000 customers spread across 50 countries.

- In the State, Oak Nation is active in cooperage and all cooperage related trades/ancillary activities. Oak Nation is specifically involved in all phases of barrel production for wineries and distilleries in Ireland.

6. 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 an undertaking involved, which already has joint control over a company, is to acquire sole control over that company. Additionally, none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNPG apply to the Proposed Transaction.
7. 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

8. 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 Intermediate Capital Group PLC along with Merrain & Compagnie SAS will acquire joint control of Oak Nation, 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

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