



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: 03/LM/Jan12

In the matter between:

Nampak Products Limited

Acquiring Firm

And

Nampak Wiegand Glass (Pty) Ltd

Target Firm

Panel : Andreas Wessels (Presiding Member)
Medi Mokuena (Tribunal Member)
Merle Holden (Tribunal Member)
Heard on : 22 February 2012
Order issued on : 22 February 2012
Reasons issued on : 27 February 2012

Reasons for Decision

Approval

[1] On 22 February 2012 the Competition Tribunal (“Tribunal”) approved the merger between Nampak Products Limited and Nampak Wiegand Glass (Pty) Ltd. The reasons for approving the proposed transaction follow below.

Parties to the transaction

[2] The primary acquiring firm is Nampak Products Limited (“Nampak Products”), a wholly-owned subsidiary of publicly traded Nampak Limited.

[3] Nampak Limited is a diversified packaging company manufacturing a wide range of packaging products including metal, paper, plastic and glass packaging products. However, its involvement in the manufacturing of glass packaging products is limited to its investment in Nampak Wiegand Glass (Pty) Ltd (“NWG”).

[4] The primary target firm is NWG, a joint venture owned in two equal parts by Nampak Products (50%) and Wiegand-Glas SA (Pty) Ltd (“Wiegand-Glas”) (50%). NWG holds no investment or shareholder interest in any other firm.

[5] NWG manufactures a diverse range of returnable and non-returnable glass containers to the beverage and food industries.

Proposed transaction

[6] In terms of the proposed transaction, Nampak Products intends to buy out its current joint venture partner by acquiring from Wiegand-Glas its 50% interest in the issued share capital of NWG. Upon implementation of the transaction, Nampak Products therefore will have a 100% interest in and sole control over NWG.

Rationale for the transaction

[7] The rationale for the proposed merger is that the Nampak Group considers glass manufacture as one of its core businesses, which it would therefore like to expand.

Impact on competition

[8] There is no product overlap between the activities of the merging parties since Nampak Limited’s involvement in the manufacturing of glass packaging products is limited to its pre-merger interest in NWG.

Therefore the proposed transaction does not affect competition in any relevant market.

Public interest

[9] The merging parties confirmed that there will be no adverse effect on employment as a result of the proposed transaction¹. No other public interest issues arise as a result of this transaction.

CONCLUSION

[10] We conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market. Furthermore, the proposed transaction raises no public interest concerns. Accordingly, we approve the proposed merger unconditionally.

ANDREAS WESSELS

27 February 2012
DATE

Medi Mokuena and Merle Holden concurring

Tribunal researcher: Nicola Ilgner
For the merging parties: Bowman Gilfillan
For the Commission: Mogalane Matsimela

¹ See pages 8, 126 and 127 of the record.