

**COMPETITION TRIBUNAL OF SOUTH AFRICA**

**Case No: 25/LM/Mar07**

In the matter between:

**Standard Bank Private Equity,  
A Division of the Standard Bank  
South African Ltd**

**Acquiring Firm**

**And**

**DairyBelle, A Division of  
Tiger Food Brands Ltd**

**Target Firm**

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Panel : Y Carrim (Presiding Member), N Manoim  
(Tribunal Member) and M Madlanga (Tribunal  
Member)

Heard on : 18 April 2007

Decided on : 18 April 2007

Reasons Issued : 19 April 2007

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**REASONS FOR DECISION**

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**Approval**

[1]. On 18 April 2007 the Competition Tribunal issued a Merger Clearance Certificate approving the merger between Standard Bank Private Equity, A Division of the Standard Bank Ltd (“Standard Bank”) and DairyBelle, a division of Tiger Food Brands Ltd (“DairyBelle”) unconditionally. The reasons appear below.

**Parties**

[2]. The acquiring firm is Standard Bank Private Equity, A Division of the Standard Bank Ltd (“Standard Bank”) Ltd. Standard Bank is a public company listed on the Johannesburg

Stock Exchange.<sup>1</sup>

[3]. The target firm is DairyBelle, a division of Tiger Food Brands Ltd (“DairyBelle”).<sup>2</sup>

### **Transaction**

[4]. In terms of the proposed transaction, Standard Bank intends to acquire the entire issued share capital of DairyBelle as a going concern. Standard Bank also intends to acquire the trade marks relating to DairyBelle business from Tiger Food Intellectual Property Holding Company (“Tiger IP”). After the implementation of the proposed transaction Standard Bank will control the business and the trade marks of DairyBelle as a going concern.

### **Rationale for the Transaction**

[5]. For Standard Bank this represents an investment opportunity whilst we were advised by Tiger at the hearing that it had decided to sell as they considered the dairy business as a cyclical one which does not fit into their core strategic focus.

### **Activities of the Parties**

[6]. The acquiring firm and its subsidiaries offer a wide range of wholesale and retail banking and related financial services throughout the Republic of South Africa. The merging parties have submitted in their filing that the principal service of the acquiring firm comprise *inter alia*, retail banking, consumer credit, corporate and investment banking and investment banking and investment management and life insurance services. DairyBelle is involved in the manufacturing, distribution and marketing of dairy, dairy related and fruit juice products such as cheese, butter, yoghurt and milk.

### **Competition Analysis**

[7]. An examination of the proposed transaction by the Commission showed that there is

1 The acquiring firm is controlled by Standard Bank Group Ltd. For a list of Standard Bank subsidiaries see pages 521-523 of the record.

2 For a list of Tiger Brands subsidiaries see pages 7-9 of the record.

no horizontal overlap in the activities of the merging firms. We agree with this conclusion and as result the merger raises no concerns.

### **Public Interest**

[8]. There are no public interest issues.

### **Conclusion**

[9]. Based on the above the transaction will not result in a substantial lessening or prevention of competition in the identified markets and is accordingly approved unconditionally.

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**N. Manoim**

Tribunal Member

**19 April 2007**

**Date**

Y Carrim and M Madlanga concurring.

Tribunal Researcher : J Ngobeni

For the merging parties : Natalia Lopes (Edward Nathan Sonnenberg Inc)

For the Commission : Edwina Ramohlola (Mergers and Acquisitions)