**OUTCOME OF HEARINGS BEFORE THE TRIBUNAL ON WEDNESDAY, 25 NOVEMBER 2015**

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| Type of matter | Parties involved | Competition Commission’s recommendation to Tribunal |
| Large merger  | Accelerate Property Fund Ltd and Old Mutual Life Assurance Company (South Africa) Ltd in respect of the Portside Building | Approval without conditions |
| Large merger | K2015068356 (South Africa) (Pty) Ltd and Pearl Valley Golf Estates (Pty) Ltd and Seven Woodtrading 57 (Pty) Ltd | Approval without conditions  |
| Large merger  | Vukile Property Fund Ltd and Thavhani Property Investment (Pty) Ltd, In Respect of a 1/3 Undivided Interest in the Thavhani Mall Letting Enterprise | Approved with conditions |
| Large merger | Investec Property Fund Ltd AND Friedshelf 113 (Pty) Ltd, Double Flash Investments 51 (Pty) Ltd and Certain Property Letting Enterprises Held by Associated Trusts and Managed by Zenprop Property Holdings (Pty) Ltd | Approval without conditions |
| Large merger  | Diageo South Africa (Pty) Ltd and Brandhouse Beverages (Pty) Ltd | Approved with conditions |

The Competition Tribunal has approved the merger between **Diageo South Africa**, local division of British-based Diageo the world’s largest spirit maker, and **Brandhouse Beverages**, previously a joint venture with Diageo Ltd, Heineken and Namibian Breweries. The new venture between Diageo South Africa and Brandhouse will be called **DHN**. Concern about the possible loss of jobs as a result of the merger, led to the Tribunal supporting conditions imposed by the Commission that the 451 positions lost as a result of the move by Brandhouse from Cape Town to Johannesburg, is replaced by 451 jobs in the merged company DHN. The Tribunal asked for clarity about the skills level of the jobs lost and those that were being made available in the merged entity. DHN said jobs lost and replaced would be skilled and semi-skilled jobs. Union, the Food and Allied Workers Union asked at the hearing for an undertaking that jobs would not be lost at Brandhouse’s Sedibeng Breweries, and this undertaking was provided as part of the agreement.

JSE-listed **Vukile Property Fund’s** purchase of one third undivided share of **Thavhani Mall** in Limpopo, which is still under construction, has been approved by Tribunal, but the approval is subject to conditions. Of concern to the Competition Commission was the deal between Vukile Property, Thavhani and a lender that should Thavhani default on its payments Vukile would have Step-In Rights. Should this be exercised, it would result in a change in the ownership of the mall and thereby trigger notification in terms of Section 13A of the Competition Act. The order accompanying the approval notice stipulates that should Vukile Properties exercise its Step-In Rights within 18 months of the merger it has 20 working days to notify the Commission. Should it be after the 18 months it shall notify its Step-In Rights as a merger.

The Tribunal has approved without conditions the application by JSE-listed **Accelerate Property Fund** to acquire sectional title units in Portside Building owned by **Old Mutual Life Assurance** in the Cape Town CBD. The Competition Commission found that there was sufficient competition from other properties companies in the area.

Competition Tribunal has approved without conditions the merger of **K2015068356** and **Pearl Valley Golf Estates** and the purchase of 100 percent issued share capital in **Steven Wood Trading**. Pearl Valley is owned by Standard Bank, and in turn owns Steven Wood, which offers estate agency services. The Competition Commission found there was sufficient competition in market for luxury estates for the merger to diminish competition.

The merger between **Investec Property Fund**, a property investment company, and **Zenprop Property Holdings** that will give the Fund sole control of Zenprop’s managed portfolio, has been approved without conditions Post-merger the merged entity will hold properties in: Sandton (A and P properties); Umhlanga Rocks; Fourways and Bryanston (A and P properties). The deal will give Investec access to good quality, high end properties, it has said.

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