

## COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM049Jul21

In the matter between:

Daimler Truck Holding AG

**Primary Acquiring Firm**

And

Daimler Truck AG

**Primary Target Firm**

---

Panel: E Daniels (Presiding Member)  
I Valodia (Tribunal Member)  
T Vilakazi (Tribunal Member)

Heard on: 19 August 2021  
Order Issued on: 19 August 2021  
Reasons Issued on: 19 August 2021

---

### ORDER

---

Further to the recommendation of the Competition Commission in terms of section 14A(1)(b) of the Competition Act, 1998 (“the Act”) the Competition Tribunal orders that—

1. the merger between the abovementioned parties be approved in terms of section 16(2)(a) of the Act; and
2. a Merger Clearance Certificate be issued in terms of Competition Tribunal Rule 35(5)(a).

*Enver Daniels*

---

**Presiding Member  
Mr Enver Daniels**

---

**19 August 2021  
Date**

**Concurring: Prof Imraan Valodia and Dr Thando Vilakazi**



**competitiontribunal**  
SOUTH AFRICA

# Merger Clearance Certificate

**Date** : 19 August 2021

**To** : Webber Wentzel Attorneys

Case Number: LM049Jul21

Daimler Truck Holding AG And Daimler Truck AG

## Notice CT 10

### About this Notice

This notice is issued in terms of section 16 of the Competition Act.

You may appeal against this decision to the Competition Appeal Court within 20 business days.

You applied to the Competition Commission on **16 July 2021** for merger approval in accordance with Chapter 3 of the Competition Act.

Your merger was referred to the Competition Tribunal in terms of section 14A of the Act, or was the subject of a Request for consideration by the Tribunal in terms of section 16(1) of the Act.

After reviewing all relevant information, and the recommendation or decision of the Competition Commission, the Competition Tribunal approves the merger in terms of section 16(2) of the Act, for the reasons set out in the Reasons for Decision.

This approval is subject to:

no conditions.

the conditions listed on the attached sheet.

The Competition Tribunal has the authority in terms of section 16(3) of the Competition Act to revoke this approval if

- a) it was granted on the basis of incorrect information for which a party to the merger was responsible.
- b) the approval was obtained by deceit.
- c) a firm concerned has breached an obligation attached to this approval.

### Contacting the Tribunal

The Competition Tribunal  
Private Bag X24  
Sunnyside  
Pretoria 0132  
Republic of South Africa  
tel: 27 12 394 3300  
fax: 27 12 394 0169  
e-mail: [ctsa@comptrib.co.za](mailto:ctsa@comptrib.co.za)

### The Registrar, Competition Tribunal

*Tebogo Mputze*



competitiontribunal  
SOUTH AFRICA

## COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM049Jul21

(Acquiring Firm)

**Daimler Truck Holding AG**

and

**Daimler Trucks AG**

(Target Firm)

### REASONS FOR DECISION

- [1] On 19 August 2021, the Competition Tribunal unconditionally approved a large merger between Daimler Truck Holding AG (“DT Holding AG”) and Daimler Trucks AG (“DTAG”).
- [2] The acquiring firm, DT Holding AG is a newly established entity incorporated under the laws of Germany for purposes of the proposed transaction. DT Holding AG is a wholly owned subsidiary of Daimler AG (“DAG”). DAG is a publicly listed stock corporation incorporated in accordance with the laws of Germany and is listed on the Stuttgart and Frankfurt Stock Exchanges. DAG's shares are widely held such that DAG is not controlled by any one firm. Other firms controlled by DAG include Mercedes-Benz AG and Daimler Mobility AG.
- [3] The target firm, DTAG, is a related company and is also a wholly owned subsidiary of DAG. Within the Daimler Group, DTAG operates the trucks and buses business which focusses on the manufacturing and sale of trucks and buses in various jurisdictions.<sup>1</sup> In South Africa, DTAG controls Ukuvela Holdings Proprietary Limited<sup>2</sup> and Daimler Trucks and Buses Southern Africa Proprietary Limited.<sup>3</sup>
- [4] The proposed transaction essentially entails the unbundling of DTAG by DAG into a standalone listed company. Through this merger, DAG’s trucks and buses business is being divested to a newly established entity – DT Holding AG – resulting in DAG losing control over DTAG while maintaining a non-controlling minority shareholding. The rationale is [REDACTED]

The merging parties submit that [REDACTED]

<sup>1</sup> As part of the preparatory steps to facilitate the Proposed Transaction, [REDACTED]

<sup>2</sup> Ukuvela Holdings in turn controls Atlantis Foundries Proprietary Limited and Ukuvela Properties Proprietary Limited.

<sup>3</sup> DTFS SA is a wholly owned subsidiary of Daimler Trucks and Buses Southern Africa Proprietary Limited.

- [5] Given that DT Holding AG is a newly established entity that does not conduct any activities; the Competition Commission (“Commission”) found no horizontal or vertical overlaps in the activities of the merger parties.
- [6] In terms of the public interest assessment, the Commission considered the impact of the merger on employment. DT Holding AG does not have any employees in South Africa. DTAG's South African employees are represented by the National Union of Metalworkers of South Africa (NUMSA) and the United Association of South Africa (UASA) and the employee representative. The Commission engaged with the unions and the representative who indicated that the employees raised concerns largely relating to employee benefits and incentives. The employee representatives are utilising different platforms to engage and address the fears of the employees during the consultation process. According to the employee representative, the merging parties have committed that whole process will be done in line with the protections afforded by section 197 of the Labour Relations Act.<sup>4</sup>
- [7] The Commission found that – because the proposed transaction is unlikely to result in a duplication of roles at the merging parties’ operations and in light of the merging parties’ statement that the proposed transaction will not have a negative effect on employment, in particular, there will be no retrenchments as a result of the proposed transaction – the merger is unlikely to raise employment concerns.
- [8] The Commission also considered the impact of the transaction on the spread of ownership. In terms of the transaction steps, [REDACTED]<sup>5</sup> This means the effective shareholding in the target firm will not change. In this regard, the proposed transaction is unlikely to have an impact on the spread of ownership by historically disadvantaged persons and workers.
- [9] We agree with the Commission’s findings and conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market, nor have a negative impact on the public interest.

*Enver Daniels*

---

**Mr Enver Daniels**  
**Prof Imraan I. Valodia and Dr Thando Vilakazi concurring**

---

**19 August 2021**  
**Date**

Tribunal Case Manager: Lutendo Maiwashe and Mpumelelo Tshabalala  
For the Merging Parties: Burton Phillips and Daryl Dingley  
For the Commission: Reabetswe Molotsi and Ratshidaho Maphwanya

---

<sup>4</sup> Act No 66 of 1995.

<sup>5</sup> [REDACTED]