



OUTCOME COMPETITION TRIBUNAL ROLL FOR THURSDAY, 1 MARCH, 2018

Type of matter	Parties involved	Competition Commission's recommendation to Tribunal	Tribunal decision
Large merger	Main Street (Pty) Ltd And Phembani (Pty) Ltd	Approve without conditions	Approved without conditions
Large merger	Industrial Development Corporation of South Africa Ltd And Le-Sel Research (RF) (Pty) Ltd	Approve without conditions	Approved without conditions
Large merger	Datacentrix Holdings Limited And DG Store (SA) (Pty) Ltd	Approve without conditions	Approved without conditions
Large merger	SA Retail Properties (Pty) Ltd And Silver Crown Trading 27 (Pty) Ltd	Approve with condition	Approved with conditions

Merger to form a fund management company approved by the Tribunal

This merger involves a newly established fund management company Main Street 1518 ("BFM") and Phembani Group, a black controlled industrial holding company that focuses on investments in oil, gas, mineral resources, infrastructure and construction sectors in Africa.

In terms of the transaction a private equity fund, Phembani Fund Partnership will be established. The merger will see BFM acquire control of Phembani.

The Competition Tribunal approved the merger without conditions.

IDC and Le-Sel Research merger approved but the firms still face a possible penalty for prior implementation

The Tribunal on Thursday approved the transaction in terms of which Industrial Development Corporation (“IDC”) will acquire shares in Le-Sel Investment Trust (“Le-Sel”), manufacturer of personal and homecare products. The Commission said at Thursday’s hearing however that it would be engaging the parties further in respect of the prior implementation of the merger.

The merging parties submitted that one of the main reasons for the implementation of the transaction in 2015 was to save 569 jobs, and create further jobs. The Commission said Le-Sel at the time of the transaction was in financial distress. The Commission concluded that the transaction assisted in a significant number of employees not being retrenched.

IDC is wholly-owned and controlled by the South African Government. The IDC’s main role is to support and enhance industrial capacity development in South Africa, through the funding of existing or new entrepreneurs. The IDC offers funding to various sectors such as automotive, agriculture and transport amongst others.

Le-Sel manufactures products such as body sprays, toilet sprays, air fresheners and creams and lotions amongst others.

Technology reseller Datacentrix to acquire a majority share in DG Store

Technology reseller Datacentrix Holdings Ltd (“Datacentrix”) is to acquire a majority share in ICT systems integrator DC Store (Pty) Ltd (“DG Store”). The Tribunal has approved the merger without conditions.

Datacentrix’s operates as a technology reseller and ICT systems integrator. Its main business operations include technology solutions, managed services, and business solutions. IT infrastructure and software; high-end storage and security; installation and maintenance; operational outsourcing services (e.g. cloud computing); and project management are a few examples of the products and services offered. Datacentrix is ultimately controlled by Alviva Holdings Ltd.

DG Store operates as an ICT systems integrator which provides infrastructure and business solutions and focuses on the procurement of IT products, consulting services, product lifecycle management and offering a cloud computing solution.

The Tribunal has approved the transaction without conditions.

Commission to monitor partnership arrangement in self-storage market

In this transaction SA Retail Properties (Pty) Ltd (“SAR”) is to acquire six self-storage properties from Silver Crown Trading 27 (Pty) Ltd (“Silver Crown”) and its subsidiaries, including Storage Genie (Pty) Ltd (“Storage Genie”) in terms of a partnership

arrangement. In terms of this arrangement SAR will control the future productive capacity and output of Storage Genie for seven years.

SAR is a wholly owned subsidiary of the SA Corporate Real Estate Limited (SACREL), a JSE listed Real Estate Investment Trust. SAR owns commercial properties and various storage units.

The primary target firm is Silver Crown, in terms of six self-storage facilities. The target group carries on business as a developer and manager of storage units.

The Tribunal has approved conditions whereby all acquisitions which will occur between the merging parties, including small mergers, for the seven year duration of the partnership arrangement be notified to the Competition Commission for approval.

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