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**Common Market for Eastern  
and Southern Africa**

### **CCC Merger Inquiry Notice No. 20 of 2017**

#### **Notice of Inquiry into the Acquisition of Building Supply Group (Proprietary) Limited by Steinhoff Doors and Building Materials (Proprietary) Limited**

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It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (hereinafter referred to as the “Regulations”) that the COMESA Competition Commission (the “Commission”), after receiving a notification in terms of Article 24 of the Regulations involving Steinhoff Doors and Building Materials (Proprietary) Limited (“Steinhoff Doors”) and Building Supply Group (Proprietary) Limited (“BSG”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that the acquirer, Steinhoff Doors, is a company registered in South Africa which is ultimately controlled by Steinhoff International Holdings S.V (“SIH”). SIH is an integrated retailer that retails furniture, household goods and general merchandise in Europe, Australasia, the United States of America, and Africa. Steinhoff Doors is involved in the retail and wholesale of hardware and building supplies in South Africa. It does not trade or hold assets in any COMESA Member State, however, it export goods to Zimbabwe on an ad hoc basis. SIH is active in the following Member States: DRC, Malawi, Swaziland, Uganda, Zambia and Zimbabwe.

The parties submitted that the target, BSG, is a company registered in South Africa. BSG holds the MacNeil group of companies and the Tiletoria group of companies, which are involved in supplying taps, tiles and flooring, sanitaryware, and general hardware products in South Africa and elsewhere in Africa, including in the Democratic Republic of Congo, Kenya, Malawi, Swaziland, Zambia and Zimbabwe (although it does not operate any retail stores or wholesale outlets in any of these states).

Steinhoff Doors will acquire all of the shares in BSG. The parties have submitted that Steinhoff Doors’ rationale for this proposed transaction is to add the Tiletoria, MacNeil and Brands4Africa brands to Steinhoff Doors’ established suite of building material brands and enable it to grow its existing South African footprint, as well as its African business, which is part of Steinhoff Doors’ long term strategy.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen competition within the Common Market. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [smaseko@comesa.int](mailto:smaseko@comesa.int). All written representations should be sent to the Commission not later than **31<sup>st</sup> July 2017**.

Should you require any clarification or additional information, please do not hesitate to contact our **Ms. Siboniselizulu Maseko** on +265 1 772 466 or via email at [smaseko@comesa.int](mailto:smaseko@comesa.int).

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.