



Kang'ombe House, 5th Floor-West Wing P.O.Box 30742 Lilongwe 3, Malawi Tel: +265 (0) 1772466 Email- compcom@comesa.int

## **CCC Restrictive Business Practice (RBP) Inquiry Notice No. 5 of 2018**

Notice of Inquiry on the Application for Authorization of a Toll Manufacturing, Distribution and Trademark License Agreement between AkzoNobel South Africa (Pty) Ltd and Regal Paints Uganda Limited

It is hereby notified in terms of Rule 61(4) of the COMESA Competition Rules (the "Rules") that the Commission is reviewing the Agreement between AkzoNobel South Africa (Pty) Ltd ("AkzoNobel") and Regal Paints Uganda Limited ("Regal").

The Parties have submitted that under the Agreement, Regal is appointed as a non-exclusive distributor, toll manufacturer and licensee to use the trademarks of AkzoNobel to manufacture, distribute, sell or supply the products in the territory of Uganda.

The parties have further submitted that **AkzoNobel** is a global paints and performance coatings manufacturer and produces specialty chemicals for both industry and consumers worldwide. Headquartered in Amsterdam, the Netherlands, AkzoNobel operates in 80 countries around the world. The company produces and markets well-known brands such as Dulux, Sikkens, International, Interpon and Eka, Sadolin, Alabastine, Butanox, Coral to mention but a few.

The parties have also submitted that **Regal**, Formerly Crown Buildings and Products Ltd. (Wholly owned subsidiary of Crown Paints Kenya Ltd) is a Ugandan registered company founded in 2006. In the Common Market, Regal is present in the Democratic Republic of Congo, Rwanda and Burundi. In Uganda the company operates with its brand "REGAL PAINTS." The company specializes in a wide range of products in Decorative paints, Industrial paints, Road Marking Thermoplastic Paints, Automotive Paints, Wood finishes and Varnishes, High Quality fillers, Texture and Multicolor Duotone paints for Domestic, Commercial and Industrial uses.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the Agreement is likely to affect trade between Member States and has as its object or effect the prevention, restriction or distortion of 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 parties to the Agreement to submit written representations to the Commission with regard to the subject matter of the proposed inquiry

by emailing them to: <a href="mailto:jmwesige@comesa.int">jmwesige@comesa.int</a>. All written representations should be sent to the Commission not later than 23<sup>rd</sup> February, 2018.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. John Mwesige** on Tel: +265 (0) 1 772 466 or E-mailto: <a href="mailto:jmwesige@comesa.int">jmwesige@comesa.int</a>.

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.