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**Common Market for Eastern  
and Southern Africa**

**Case No. CCC/MER/04/15/2018**

**Decision<sup>1</sup> of the Forty Sixth Committee Responsible for Initial  
Determination on the Merger Involving King (Cayman) Holdings Ltd  
and the Financial & Risk Business of Thomson Reuters Corporation**

**ECONOMIC SECTOR: Finance**

**5<sup>th</sup> October 2018 – Johannesburg , South Africa**

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<sup>1</sup> In the published version of this decision, some information may have been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible, the information omitted has been replaced by ranges of figures or a general description.

*u/c T-P-D B.M.L*

### **Information and Relevant Background**

1. On 3<sup>rd</sup> May 2018, the COMESA Competition Commission (hereinafter referred to as the “Commission”) received an application for authorisation of a merger involving King (Cayman) Holdings Ltd (“**King**”) and the Financial & Risk Business of Thomson Reuters Corporation (“the **Target**”).
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations, 2004 (hereinafter referred to as the “Regulations”). Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the proposed transaction between the parties would, or is likely to, have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.
3. The Committee Responsible for Initial Determination (hereinafter referred to as the “CID”) established that the parties operated in more than one COMESA Member State. This therefore meant that the regional dimension requirement under Article 23(3) of the Regulations was satisfied and asserted jurisdiction on the Commission to assess the transaction.

### **The Parties**

#### **King**

4. The parties submitted that King was a newly-established Exempted limited company incorporated in accordance with the laws of the Cayman Islands, which has been established for the purpose of entering into and executing the proposed transaction. King is ultimately controlled by the Blackstone Group L.P. (“Blackstone”), a Delaware limited partnership listed on the New York Stock Exchange. Blackstone is a global alternative asset manager and provider of financial advisory services, which is headquartered in the USA and has offices in Europe and Asia.

#### **The Target**

5. The parties submitted that the Target was a global business which provides news, information and analytics, enabling transactions and connecting communities of trading, investment, financial and corporate professionals. The Target provided customers with tools, platforms, venues and services to enable fast and intelligent decision-making.

### **Nature of the Transaction**

6. The parties submitted that the private equity funds managed by Blackstone together with Canada Pension Plan Investment Board and GIC entered into an agreement with Thomson Reuters for Thomson Reuters’ Financial & Risk Business. Under the agreement, the Blackstone-led consortium will own 55% of the equity in a new Corporation created to hold the Financial & Risk Business and exercise sole control over it. Thomson Reuters will retain the 45% equity stake.

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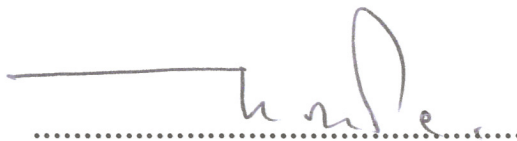
### **Competition Analysis**

7. The CID defined the relevant market as the global provision of financial information services. The CID observed that the merging parties' market shares were not significant pre-merger and the situation was likely to remain the same post-merger. The CID noted that there was a number of other competitors in the relevant market such that the merged entity was unlikely to engage in unilateral conduct.

### **Determination**

8. The CID determined that the merger was not likely to appreciably lessen competition in the Common Market and was compatible with the COMESA Treaty objective of full market integration. The CID therefore ratified the Director's decision of 30<sup>th</sup> August 2018.
9. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 5<sup>th</sup> of October 2018



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**Commissioner Patrick O. Okilangole**  
**(Chairperson)**



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**Commissioner Thembelihle P. Dube**  
**(Member)**



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**Commissioner Brian M. Lingela**  
**(Member)**