



COMESA Competition Commission
Kang'ombe House, 5th Floor-West Wing
P.O. Box 30742
Lilongwe 3, Malawi
Tel: +265 (0) 1 772 466
Email- compcom@comesa.int



**Common Market for Eastern
and Southern Africa**

Case File No. CCC/MER/8/20/2020

Decision¹ of the Seventy-Third (73rd) Committee Responsible for Initial Determination Regarding the Proposed Acquisition of Joint Control by BC European Capital X and BC Partners Fund XI of Società Finanziaria Macchine Automatiche S.p.A.

ECONOMIC SECTOR: Manufacture of Electronic Packaging Equipment

12th November 2020

¹ In the published version of this decision, some information has 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 Where possible, the information omitted has been replaced by ranges of figures or a general description.

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Information and Relevant Background

1. On 1st September 2020, the COMESA Competition Commission (hereinafter referred to as the “**Commission**”) received a notification for approval of the merger involving the proposed Acquisition of Joint Control by BC European Capital X (“**BC Fund X**”) and BC Partners Fund XI (“**BC Fund XI**”), two funds advised by BC Partners LLP (“**BC Partners**”), of Società Finanziaria Macchine Automatiche S.p.A. (“**SOFIMA**”).
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations, 2004 (the “**Regulations**”). Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the 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 (the “**CID**”) established that the parties operate in more than one COMESA Member State and they meet the prescribed merger notification thresholds. This therefore means that the regional dimension requirement under Article 23(3) of the Regulations is satisfied and asserts jurisdiction on the Commission to assess the transaction.

The Parties

BC Fund X and BC Fund XI

4. It was submitted that BC Fund X and BC Fund XI are funds advised by BC Partners, a private equity firm which provides investment advisory services to a number of private equity funds (the “**BC Funds**”). The BC Funds invest in, acquire and develop European, North American, or multinational businesses. BC Partners invests in companies in various sectors including industrial products; business and financial services; agriculture; healthcare; education; consumer; retail; and technology, media, and telecommunications. The acquiring undertakings operate in all the COMESA Member States except Eswatini.

SOFIMA

5. It was submitted that SOFIMA is a holding company whose only activity is the holding of a controlling 51.594% stake (corresponding to 66.956% voting rights) in I.M.A. Industria Macchine Automatiche S.p.A. (IMA), a public company organised under the laws of Italy and listed at the Milan Stock Exchange since 1995. IMA is active in the development and manufacturing of machinery and equipment for the automated packaging of goods. The target undertaking operates in the following COMESA Member States: Egypt, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Sudan, Tunisia, Uganda and Zimbabwe.

Nature of the Transaction

6. The parties have submitted that the proposed transaction concerns the indirect acquisition of a controlling interest in SOFIMA by BC Partners.

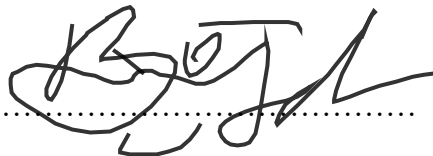
Competition Analysis

7. The CID defined the relevant product market as the **manufacture and supply of machinery and equipment for automated packaging and provision of related services**.
8. The relevant geographic market was defined as global.
9. The CID observed that the merger will not lead to a change in the market structure due to the absence of horizontal overlap in the activities of the parties.
10. The CID therefore concluded that the transaction is not likely to raise any competition concerns.

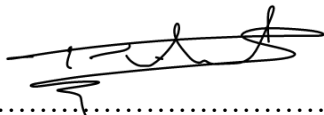
Determination

11. The CID determined that the merger is not likely to substantially lessen or prevent competition in the Common Market or any a substantial part of it. The CID further determined that the transaction is unlikely to negatively affect trade between Member States. The CID therefore approved the transaction.
12. This decision is adopted in accordance with Article 26 of the Regulations.

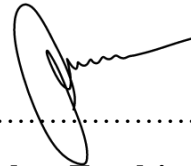
Dated this 12th November 2020



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Commissioner Brian M. Lingela (Chairperson)



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Commissioner Michael Teklu Beyene



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Commissioner Islam Tagelsir Ahmed Alhasan