

## DETERMINATION OF MERGER NOTIFICATION M/23/009 – TENNANTS CONSOLIDATED/BROCKLEY HOLDINGS

### Section 21 of the Competition Act 2002

**Proposed acquisition by Tennants Consolidated Limited of the entire issued share capital of Brockley Holdings Limited.**

**Dated 16 March 2023**

1. On 28 February 2023, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby Tennants Consolidated Limited (“Tennants Consolidated”), through its wholly owned Irish holding company TCLI Limited (“TCLI”), intends to acquire sole control over Brockley Holdings Limited (“Brockley Holdings”) (the “Proposed Transaction”).
2. The Proposed Transaction will be implemented by way of a share purchase agreement between the sellers<sup>1</sup> and Tennants Consolidated, dated 24 February 2023 (the “SPA”). Pursuant to the SPA, Tennants Consolidated acting through its wholly owned Irish subsidiary, TCLI, will acquire the entire issued share capital of Brockley Holdings.
3. Following implementation of the Proposed Transaction, Tennants Consolidated will ultimately acquire sole control of Brockley Holding for the purposes of the 2002 Act.
4. The business activities of the undertakings involved are:

#### *The Acquirer- Tennants Consolidated*

- Tennants Consolidated is a private conglomerate group, headquartered in London, which operates in Ireland through its holding company, TCLI (Company Number: 75424).
- Tennants Consolidated, through TCLI, owns a number of companies in the State active in various markets. Table 1 below shows a list of companies controlled by the Acquirer in Ireland.

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<sup>1</sup> James Nicholas Holmes and Miltontop Limited.

**Table 1: List of the portfolio companies controlled by Tenants Consolidated in the State**

Company	Business Activities	Turnover (in Ireland)
<a href="#">Marinochem Limited</a>	Manufacturer of resins	€[...] million
<a href="#">Irish Tar &amp; Bitumen Suppliers Ltd.</a>	Supplier of bituminous <sup>2</sup> road binders	€[...] million
<a href="#">Tennants Building Products Ltd</a>	Distributor building products (dry lining, insulation, suspended ceilings, partitions, etc.)	€[...] million
<a href="#">Charles Tennant &amp; Company (Cork)</a>	Bagging of fertiliser	€[...] million
<a href="#">Charles Tennant &amp; Co. Ireland</a>	Sale of building products and packaging and the distribution of chemicals	€[...] million

Source: Submission by the Parties

*The Target - Brockley Holdings*

- Brockley Holdings is involved in the chemical distribution market in Ireland. The company operates out of Woodford Business Park, Santry, Dublin.
- Brockley Holdings has a large portfolio of 188 chemicals and solvents available for purchase within the State. The Target provides chemicals and solvents for use across a range of sectors, including, but not limited to, pharmaceuticals, animal feed, food and beverage, printing ink, animal health, and decontaminating and cleaning.

5. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act, since Brockley Holdings and subsidiaries of Tennants Consolidated are active in the same product and geographic market, but their combined

<sup>2</sup> Products which consist of a black viscous mixture of hydrocarbons obtained naturally or as a residue from petroleum distillation. It is used for road surfacing and roofing.

market share is less than 15%, and, while Brockley Holdings are active in a market which is upstream to a market in which one of Tennants Consolidated's subsidiaries is active, the market share of each is below 25%.

6. In the light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

#### **Ancillary Restraints**

7. The SPA imposes a number of non-compete and non-solicitation obligations on the sellers. The duration of these non-compete and non-solicitation obligations does not exceed the maximum duration acceptable to the Commission. The Commission considers these restrictions to be directly related and necessary for the implementation of the Proposed Transaction in as far as they relate to the State.

### **Determination**

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition, whereby Tennants Consolidated Limited intends to acquire the entire issued share capital of Brockley Holdings Limited, will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission



**Ibrahim Bah**

**Director**

**Competition Enforcement and Mergers Division**

**Competition and Consumer Protection Commission**