

DETERMINATION OF MERGER NOTIFICATION M/23/028 – ERISBEG / MP & E TRADING COMPANY

Section 21 of the Competition Act 2002

Proposed acquisition by Erisbeg I LP, through Gagner Limited, of 60% of the entire issued share capital of MP & E Trading Company Limited, trading as EMR Integrated Solutions

Dated: 25 July 2023

1. On 7 July 2023, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission received a notification of a proposed acquisition whereby Erisbeg I LP (“Erisbeg”), through Gagner Limited (“Gagner”), would acquire [55-60]% of the entire issued share capital of MP & E Trading Company Limited (“MP & E”), trading as EMR Integrated Solutions (the “Proposed Transaction”). Erisbeg is the ultimate legal and beneficial owner of the Erisbeg group of companies (“the Erisbeg Group”).
2. Erisbeg recently set up Gagner to acquire 100% of the issued share capital of MP & E which will be followed immediately by an allotment of shares by Gagner to Mark Quinn, Diarmuid Shanley, Derek Glynn, Alan Feenan and Brian Martin (the “Vendors”¹) resulting in the issued share capital of Gagner being held on a [...] basis between Gagner and the Vendors.
3. The Proposed Transaction is to be implemented by way of a share purchase agreement dated 5 July 2023 between the Vendors and Gagner (the “SPA”).
4. The parties are involved in the following business activities:

Erisbeg

- Erisbeg is an Irish limited partnership and the ultimate legal and beneficial owner of the Erisbeg Group. The Erisbeg Group is a private equity fund which controls a portfolio of seven companies in the State which are set out in Table 1 below.

¹ The “Vendors”, as defined in the Share Purchase Agreement dated 5 July 2023, are Mark Quinn, Diarmuid Shanley, Derek Glynn, Alan Feenan and Brian Martin.

Table 1: Interests held by Erisbeg Group in the State

Company	Business Activities
BP Multipage Limited (“BP Multipage”)	Provides communication systems in the State specialising in the industrial and commercial sectors.
Christopher Mee And Associates Limited	Provides training, consultancy, recruitment, and compliance services to businesses in a wide range of industry sectors.
Dixon Transport Holdings Limited	Transportation and logistics company specialising in the provision of temperature-controlled transport solutions.
Health Care Informed Limited	Provides patient safety assurance, regulatory / accreditation compliance, quality management, and support services.
Medray Imaging Systems Limited	Distributor and servicer of radiology equipment, accessories and consumable in the State and the United Kingdom.
O’Reilly Stuart & Associates Ltd	Multi-disciplinary building and engineering company that offers a broad range of services in the State.
Eolas Recruitment Limited	Boutique recruitment agent specialising in the placement of IT professionals into contract and permanent roles.

- BP Multipage is of relevance as their business activities overlap with those of MP & E.
- BP Multipage provides communication systems in the State. BP Multipage is involved in the sale and hiring out of two-way radios (and related chargers and batteries) and the provision of repair and maintenance services on two-way radios in the State. The above services are offered by BP Multipage to customers in pharmaceutical, healthcare, retail, hospitality, security and data centres.
- Gagner is a wholly-owned subsidiary of Erisbeg, an Irish limited partnership.
- For the financial year ending 31 December 2022, the Erisbeg Group’s worldwide turnover was approximately €[...], of which approximately €[...] was generated in the State.

MP & E

- MP & E is an Irish incorporated entity involved in the business of communications and supervisory control and data acquisition (“SCADA”), and the provision of telemetry

systems to utility and critical infrastructure operators. Telemetry systems are an alternative method of transmitting data from the rotating assembly to the stationary data acquisition system. SCADA is a category of software applications for controlling industrial processes, which is the gathering of data in real time from remote locations in order to control equipment and conditions.

- For the financial year ending 31 December 2022, MP & E's worldwide turnover was €18.24 million of which approximately €[...] was generated in the State.
5. After examination of the notification, the Commission has considered 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 Erisbeg and MP & E each have a minimal share in any potential market in the State and their combined market share is less than 15% in any potential market in the State.
 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. Clause 4.2.1(a) of the SPA contains a non-compete obligation on the Vendors. Clauses 4.2.1(b), 4.2.1(c) and 4.2.1(d) of the SPA impose non-solicitation obligations on the Vendors. The duration of the non-compete and non-solicitation obligations do not exceed the maximum duration acceptable to the Commission. The Commission considers these restrictions to be directly related to and necessary for the implementation of the Proposed Transaction, insofar as they relate to the State.²

² In this respect, the Commission follows the approach adopted by the European Commission in paragraphs 20 and 26 of its "Commission Notice on restrictions directly related and necessary to concentrations" [2005] OJ C56/03. For more information see:

[http://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52005XC0305\(02\)&from=EN](http://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52005XC0305(02)&from=EN)

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 Erisbeg I LP, through Gagner Limited, would acquire 60% of the entire issued share capital of MP & E Trading Company Limited, trading as EMR Integrated Solutions, 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