



DETERMINATION OF MERGER NOTIFICATION M/24/053 – EUROPEAN TYRE ENTERPRISE LIMITED/ TRACTAMOTORS TYRES LIMITED

Section 21 of the Competition Act 2002

Proposed acquisition by European Tyre Enterprise Limited of Tractamotors Tyres Limited.

Dated 17 September 2024

1. On 30 August 2024, 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 European Tyre Enterprise Limited (“ETEL”) would acquire sole control of Tractamotors Tyres Limited (“Tractamotors”) (the “Proposed Transaction”). Tractamotors is a newly formed company and consists of the wholesale replacement tyre supply business of Tractamotors Limited, Tyrecall (Ireland) Limited and Tyre Call Limited.
2. The Proposed Transaction will be implemented pursuant to a share purchase agreement, dated 22 August 2024, between ETEL, several private individuals¹ and companies (the “SPA”).² Under the terms of the SPA, ETEL will acquire 100% of the issued share capital, and therefore, sole control, of Tractamotors.
3. The business activities of the undertakings involved are:

The Acquirer - ETEL:

- ETEL is a UK incorporated company that is ultimately and solely controlled by the ITOCHU Corporation (“ITOCHE”).
- ETEL is active in the wholesale supply of replacement tyres (tyres designed to fit any car and used as a replacement of an original tyre) and the supply of

¹ Barry Murray, Carl Murray, Ann Murray, Ciaran Murray, Nicole Murray, Donal Murray, Colin Murray, Brendan Murray, Niall Murray and Declain Murray.

² Clarke Holdings Unlimited Company, Garage Management Limited and Murray Properties Limited.



various recycled tyre-based products (rubber granules used for astroturf pitches, bark substitutes, etc.) through three wholly owned subsidiaries: Murfitts Industries Limited, Stapletons Tyre Services Limited, and Kwik-Fit Group Limited.

- As noted above, ETEL is owned by ITOCHU, a Japanese conglomerate with a diverse range of business activities. ITOCHU's activities in the State include: (i) aircraft leasing; (ii) the supply of chemical products; (iii) the development and supply of low carbon cement; (iv) the provision of carbon, energy and environmental solutions; and, (v) the wholesale supply of replacement tyres and related recycled products (through ETEL, as described above).

The Target – Tractamotors

- Tractamotors is active in the wholesale supply of replacement tyres in the State and Northern Ireland and operates from sites in Dublin, Cavan, and Antrim. Specifically, Tractamotors supplies replacement tyres for a range of vehicles, including passenger cars, vans, SUVs, light and heavy trucks, and agricultural and industrial vehicles to retail distributors.
4. 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:
- two or more of the undertakings involved in the Proposed Transaction are active in the same product and geographic market, but their combined market share is less than 15%.
5. This conclusion was reached on the basis that, although there is a horizontal overlap between ETEL and Tractamotors in the wholesale supply of replacement tyres in the State, the combined market share of the parties in this potential product market in the State will be less than 15%.



Ancillary Restraints

6. The Parties notified Clause 17 of the SPA as directly related and necessary to the implementation of the Proposed Transaction.
7. The Commission notes that Clause 17.2(a), Clause 17.2(b), and Clause 17.2(c) of the SPA imposes non-compete and non-solicitation obligations on the Sellers.³ The duration and scope of these obligations do not exceed the maximum duration and scope acceptable to the Commission. Therefore, the Commission considers the restrictions contained in Clause in 17.2(a), Clause 17.2(b), and Clause 17.2(c) to be directly related and necessary to the implementation of the Proposed Transaction, insofar as they relate to the State.⁴

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 European Tyre Enterprise Limited would acquire sole control of Tractamotors Tyres 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

³ Barry Murray, Carl Murray, Ann Murray, Ciaran Murray, Nicole Murray, Donal Murray, Colin Murray, Brendan Murray, Niall Murray, Declan Murray, Clarke Holdings Unlimited Company, Garage Management Limited, Murray Properties Limited.

⁴ In this respect, the Commission follows the approach adopted by the European Commission in paragraphs 18 to 26 of the [Commission Notice on restrictions directly related and necessary to concentrations](#) [2005] OJ C 56/24.