

DETERMINATION OF MERGER NOTIFICATION M/24/056 – JLA GROUP/BRODERICK BROS LIMITED

Section 21 of the Competition Act 2002

Proposed acquisition by JLA Acquisitions TopCo Limited of sole control of Decat Distribution Limited.

Dated 14 October 2024

1. On 20 September 2024, in accordance with s18(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 Vanilla Group Limited (the “Buyer”), which is part of the group of companies headed by JLA Acquisitions TopCo Limited (“JLA Group”), would acquire indirect sole control of Decat Distribution Limited and its three subsidiaries, Broderick Bros Limited, Broderick Holdings Limited, and Brodericks Food Equipment South Limited (together, the “Target Group”) (the “Proposed Transaction”).
2. The Proposed Transaction will be implemented by way of a share purchase agreement dated 6 September 2024, pursuant to which the entire issued share capital of the Target Group will be transferred to the Buyer (the “SPA”). Following the implementation of the Proposed Transaction, JLA Group will acquire sole control of the Target Group through the Buyer.
3. The parties are involved in the following business activities:

The Acquirer – JLA Group

- JLA Group is active in the sale, lease and servicing of commercial laundry equipment, and the leasing and servicing of commercial catering equipment.
- JLA Group is also active in the provision of managed launderette services, which entails the installation of commercial laundry equipment within purpose-built student accommodation in the higher education and further education sectors.
- JLA Group is indirectly held by the Sixth Cinven Fund, which is ultimately managed and controlled by Cinven VI GP, which is part of Cinven. Cinven is a private equity business

engaged in the provision of investment management and investment advisory services to a number of investment funds. Cinven's portfolio companies are active across a variety of sectors including; business services, healthcare, industrials, technology, media and telecommunications.

The Target Group

- The Target Group provides the following services in the State:
 - the sale, lease and installation of commercial catering equipment;
 - the supply and installation of industrial food processing equipment for the food industry, predominantly in the meat manufacturing sector;
 - the provision of comprehensive preventative maintenance services for catering equipment, as well as a repair and breakdown cover service for the food processing equipment sector;
 - the supply of a range of consumable products to the food service industry in the State; and
 - the sale/installation and servicing of commercial laundry equipment.

- 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:
 - JLA Group and the Target Group are active in the same product and geographic market, but their combined market share is less than 15%

- 5. 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

6. No ancillary restraints were notified.

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 Vanilla Group Limited, which is part of the group of companies headed by JLA Acquisitions TopCo Limited, would acquire sole control of Decat Distribution Limited and its three subsidiaries, Broderick Bros Limited, Broderick Holdings Limited, and Brodericks Food Equipment South 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