

**OFFICE FOR COMPETITION**

13th January 2016

*COMP-MCCAA/1/2016*

*Decision on acquisition in terms of regulations 6 (1) (ii) and 12(4) of the Control of Concentrations Regulations (LN 294 of 2002 as subsequently amended)*

*The Office for Competition,*

*Having considered the notification by Debono Storage Systems Ltd (C 71731) pursuant to regulation 5 of the Control of Concentrations Regulations,*

*Having considered the provisions of the Control of Concentrations Regulations,*

*Whereas*

1. On the 21 December 2015, the Office for Competition received a notification of a proposed concentration whereby pursuant to an Asset Transfer Agreement ('the Agreement'), Storage Systems Limited (C10840) will sell and transfer to Debono Storage Systems Ltd the assets on the terms and subject to the provisions of the Agreement. Specifically Debono Storage Systems Ltd intends to acquire the business of Storage Systems Limited as a going concern together with the assets. The "assets" referred to in the Agreement comprise intellectual property used by Storage Systems Limited (as the seller) and any ancillary rights emanating therefrom, the seller's inventory, the seller's outstanding receivables due by trade debtors, the rights and obligations of the seller under current arrangements, all tangible fixed assets and all intangible assets and software, all work in progress and other orders; all information and documentation pertaining to the business, the goodwill associated with the business and any additional assets pertaining to the business.
2. In terms of regulation 2 of the Control of Concentrations Regulations, there is a notifiable concentration where:
  - (i) two or more previously independent undertakings merge; or

(ii) one or more undertakings acquire, whether by purchase of securities or assets, by contract or by any other means, control of one or more other undertakings,

whether occurring in Malta or outside Malta when in the preceding financial year the aggregate turnover in Malta of the undertakings concerned exceeded 2,329,373 million and each of the undertakings concerned had a turnover in Malta equivalent to at least 10% of the combined aggregate turnover of the undertakings concerned.

3. The undertakings concerned in the case of an acquisition of control are the buyer and the undertaking being acquired. In this case, therefore, the undertakings concerned are Debono Storage Systems Ltd as the buyer and Storage Systems Limited as the undertaking being acquired. Furthermore, according to regulation 3(5), the aggregate turnover of the undertakings concerned shall be calculated by adding together the respective turnovers of the undertakings concerned and the turnover of those undertakings with which the undertakings concerned have links consisting in the rights or powers as listed in regulation 3(5).
4. Whilst the proposed transaction satisfies the requirement of a change in control of Storage Systems Limited and whilst the aggregate turnover of the undertakings concerned in the preceding financial year exceeds €2,329,373.40 million, the turnover in Malta of one of the parties to the concentration is not equivalent to at least 10 percent of the combined aggregate turnover of the undertakings concerned as set out in the Regulations.

### **Conclusion**

For the abovementioned reason, and in terms of regulation 6(1)(i) of the Control of Concentrations Regulations, the Director General of the Office for Competition has therefore decided that the notified concentration does not fall within the scope of these Regulations.

  
**Godwin Mangion**  
Director General