



## **DETERMINATION OF MERGER NOTIFICATION M/06/058 – AXA/ ELIOKEM**

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### **Section 21 of the Competition Act 2002**

**Proposed acquisition by AXA Private Equity of Financiere Eliokem S.A.R.L. and Eliokem Inc.**

**Dated 20/09/06**

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### **Introduction**

1. On 23<sup>rd</sup> August 2006 the Competition Authority (“the Authority”), in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby AXA LBO Fund III (“AXA LBO”) and the current managers of Eliokem would acquire 100% of the share capital of Financiere Eliokem S.A.R.L. and Eliokem Inc. (collectively “Eliokem”). Post acquisition AXA LBO will exercise control over Eliokem.

### **The Undertakings Involved**

2. AXA LBO Fund III, the acquirer, is a private investment fund managed by AXA Private Equity (“AXA PE”) which specialises in investments in unlisted companies and in investments in other funds through the operation of the following funds:
  - AXA Private Equity Fund I (now inactive);
  - AXA Private Equity Fund II; and,
  - AXA LBO Fund III.
3. AXA PE is a wholly owned subsidiary of the AXA Group which generated a worldwide turnover of €71,671 million in 2005 of which, less than €500 million was generated in the State. The AXA Group is mainly active in insurance and asset management and provides insurance services in the State through its subsidiary AXA Insurance Ltd. None of the AXA PE portfolio of companies are active in the State.
4. Eliokem, the targets, which is a wholly owned subsidiary of Eliokem LLC (a holding company incorporated under the laws of Delaware, USA) is active, worldwide in the manufacture, marketing and distribution of niche specialty chemicals which include: speciality resins; antioxidants, elastomeric modifiers; and latex. In 2005 Eliokem achieved worldwide turnover of less than €150 million and turnover in the State of less than €250,000, through the supply of antioxidants and specialty resins.

## **Analysis**

5. The activities of the undertakings involved do not overlap either horizontally or vertically in the State. AXA Group is active in the provision of insurance and asset management services in the State. None of the AXA PE portfolio of companies are active in the State and no AXA Group company is currently involved in the manufacture, distribution or marketing of niche chemicals. The target's activities in the State are limited to the supply of antioxidants and specialty resins.
6. The proposed transaction does not, therefore, give rise to competition concerns.

## **Determination**

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by AXA LBO Fund III and the current managers of Eliokem of Financiere Eliokem S.A.R.L. and Eliokem Inc. will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

## **For the Competition Authority**

Dr. P K. Gorecki  
Member of the Competition Authority