



## **DETERMINATION OF MERGER NOTIFICATION M/06/064 – KELIDO/CLARITY**

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

### **Proposed acquisition by Kelido Limited of Clarity Computer (Distribution) Limited**

**Dated 05/10/06**

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#### **Introduction**

1. On 7 September 2006, the Competition Authority, in accordance with Section 18(1) of the Competition Act, 2002 (“the Act”), was notified on a mandatory basis of the proposed acquisition by Kelido Limited (“Kelido”) of the entire issued shares of Clarity Computer (Distribution) Limited (“Clarity”).

#### **The Undertakings Involved**

2. Kelido, the acquirer, is a non-trading parent company of two wholly-owned trading subsidiaries that make sales into the island of Ireland. The Kelido subsidiaries are:
  - Westcoast Limited is a company incorporated in England that supplies IT products to the computer reseller network. It specialises in a range of products including, PC hardware, printers, software, and the full range of audio-visual equipment. It distributes brands including Hewlett Packard, Epson, Verbatim, Samsung and Xerox.
  - Orion Storage Solutions Limited is a company incorporated in England that is involved in the provision of data storage solutions to certain corporate organisations.

For the financial year ending 31 December 2005, Kelido generated turnover of [...] million in the State.

3. Clarity, the target, is a wholesale distributor of computer and networking products, and peripherals. It also provides pre- and post-sales professional services. For the financial year ending 31 December 2005, Clarity generated turnover of c.€92.7 million in the State.

#### **Analysis**

4. There is minimal horizontal overlap in the activities of the undertakings involved in the State. Therefore, the Authority considers that the proposed transaction does not raise competition concerns.

## **Determination**

5. 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 Kelido Limited of Clarity Computer (Distribution) Limited, 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 Paul K. Gorecki  
Member of the Competition Authority