



## **DETERMINATION OF MERGER NOTIFICATION M/13/010 -**

### **Aztec / Duke Street Oasis**

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

#### **Proposed acquisition by Aztec TopCo Limited of sole control of Duke Street Oasis Holdings Limited**

**Dated 23 April 2013**

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#### **Introduction**

1. On 2 April 2013, in accordance with section 18 of the Competition Act 2002 ("the Act"), the Competition Authority ("the Authority") received a notification of a proposed transaction whereby Aztec TopCo Limited ("Aztec"), through its wholly owned subsidiary Aztec Bidco Limited ("Aztec Bidco") would acquire sole control of Duke Street Capital Oasis Holdings Limited ("Duke Street Oasis") and its subsidiaries.<sup>1</sup>

#### **The Undertakings Involved**

##### *The Acquirer*

2. Aztec Bidco is ultimately owned and controlled by Bridgepoint Advisers Group Limited (Bridgepoint),<sup>2</sup> a European based private equity firm with investments in various sectors and various countries within Europe.<sup>3</sup>
3. The following Bridgepoint portfolio companies, in various sectors but not including dental care, generate revenue within the State:<sup>4</sup> [...].
4. For the financial year ended 31 January 2013, the portfolio companies of Bridgepoint had a consolidated worldwide turnover of €[...] million, of which approximately €[...] million was generated within the State.

##### *The Vendor*

5. Duke Street Oasis is wholly owned by Duke Street Capital, a private equity firm, with offices in the UK and France, which invests primarily into four sectors: consumer services, business services, healthcare and financial services.<sup>5</sup>

##### *The Target*

6. Duke Street Oasis, based in Bristol, UK is a private company operating in England, Wales and Northern Ireland. Duke Street Oasis provides

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<sup>1</sup> [...].

<sup>2</sup> [...]. For more information on Bridgepoint see <<http://www.bridgepoint.eu/en/home>>.

<sup>3</sup> Aztec Bidco is a wholly-owned subsidiary of Aztec Midco 2 Limited, which in turn is a wholly-owned by Aztec Midco 1 Limited, which is wholly-owned by Aztec.

<sup>4</sup> [...].

<sup>5</sup> For more information on Duke Street Capital see <<http://www.dukestreet.com>>.

dental services to UK National Health Service ("NHS") patients and also private patients. Services range from regular check-ups to specialist and cosmetic treatments. Duke Street Oasis has over 850 dentists, 218 hygienists and therapists and 1,880 practice staff, supported by regional and functional teams, which provide services to over 2.5 million patient visits per year.

7. Duke Street Oasis does not have a physical presence within the State. It has over 200 dental practices in the United Kingdom, including 14 practices in Northern Ireland - in Lisburn, Carrickfergus, Dundonald and Newtonabbey in Co. Antrim; Newry, Bangor, Banbridge and Holywood in Co. Down; Omagh, Dungannon, Cookstown and Strabane in Co. Tyrone; Enniskillen in Co. Fermanagh and Derry in Co. Derry, and some Duke Street Oasis customers are resident within the State.
8. For the year ended 31 March 2012 Duke Street Oasis worldwide turnover was approximately €[...] million,<sup>6</sup> none of which was generated within the State.<sup>7</sup> [...].

### **Third Party Submissions**

9. No submission was received.

### **Rationale for Transaction**

10. The proposed transaction is a management buyout with the backing of Bridgepoint. The parties state that the proposed transaction:

"[...]".<sup>8</sup>

11. Bridgepoint has also stated that:

*"Oasis' financial performance has been impressive throughout the recent economic cycle. It is a robust platform with a commitment to quality and innovation from which to create the only branded dental operator of scale in the UK."*<sup>9</sup>

### **Analysis**

12. There is no horizontal overlap in within the State in the activities of the parties.
13. None of the firms in which Bridgepoint has a controlling interest are involved in the provision of dental services on the island of Ireland.<sup>10</sup> Duke Street Oasis is involved solely in the provision of dental services in the United Kingdom and earns only modest revenues from

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<sup>6</sup> Calculated using an ECB annual average annual exchange rate for the period April 2011 to March 2012 of € 1 = £0.8642. Turnover for the year ended 31 March 2012 within Northern Ireland was approximately €7.4 million including the approximately €30,000 generated in the State.

<sup>7</sup> The proposed transaction nevertheless required notification to the Authority as section 18 (1) (ii) refers to each of the parties carrying on a business on the island of Ireland.

<sup>8</sup> Notification page 5.

<sup>9</sup> See <<http://www.bridgepoint.eu/en/news/press-releases/2013/oasis-bridgepoint-to-acquire-uks-largest-private-dental-care/>>.

<sup>10</sup> Bridgepoint is active in the healthcare sector outside of the State by virtue of its investments in a number of healthcare providers in Europe. However, none of these healthcare providers is active on the island of Ireland.

customers in the State. It is not involved in any sectors in which Bridgepoint controlled firms are involved.

14. The proposed transaction does not raise any vertical competition concerns.
15. In light of the above the Authority concludes that the proposed transaction will not raise competition concerns in any market for goods or services in the State.

## **DETERMINATION**

The Competition Authority, in accordance with section 21(2)(a) of the Competition Act 2002, has determined that, in its opinion, the result of the proposed transaction whereby Aztec TopCo Limited, through its wholly owned subsidiary Aztec Bidco Limited, would acquire sole control of Duke Street Capital Oasis Holdings Limited and its subsidiaries, 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 Authority**

Stephen Calkins  
Member of the Competition Authority  
Director, Mergers Division