

*Disclaimer:*

*The Competition DG makes the information provided by the notifying parties in section 1.2 of Form CO available to the public in order to increase transparency. This information has been prepared by the notifying parties under their sole responsibility, and its content in no way prejudices the view the Commission may take of the planned operation. Nor can the Commission be held responsible for any incorrect or misleading information contained therein.*

**M.8223 - MICRO FOCUS / HPE SOFTWARE BUSINESS**

**SECTION 1.2**

**Description of the concentration**

The notification concerns the transaction between Micro Focus and Seattle which constitutes a concentration under Article 3.1.(b) of Council Regulation (EC) No. 139/2004 by Micro Focus over Entco Spinco, a company to be separated from HPE.

The business activities of the Parties are:

- *Micro Focus*: is a software and information technology business based in Newbury, Berkshire, England and listed on the London Stock Exchange. Its product portfolio includes COBOL development and mainframe solutions, identity access and security solutions, development and IT operations management tools, host connectivity solutions, collaboration and networking solutions and SUSE.
- *Entco Spinco*: will be a newly created company consisting of the software business of HPE, which develops a range of enterprise software products, including software for business service management, application lifecycle management, mobile application testing, big data analytics, service and portfolio management, automation and orchestration, and enterprise security. Entco Spinco is currently wholly owned by HPE, but will be separated from HPE just prior to completion of the notifiable merger between Entco Spinco and Micro Focus.

Micro Focus (through its subsidiary SUSE LLC "SUSE") and HPE have entered into an understanding pursuant to which HPE will transfer to Micro Focus certain assets related to HPE's "Helion OpenStack" and "Stackato products". Post-Transaction, SUSE will provide SUSE's OpenStack and PaaS Solution software product to HPE in the ordinary course of business of an OEM relationship (i.e. where Micro Focus makes available a range of software solutions to participating hardware vendors under a standard set of commercial terms). As HPE will receive a non-exclusive license to the SUSE OpenStack and SUSE PaaS products, SUSE will be permitted to offer the same SUSE products to other vendors. HPE will be permitted to sell the SUSE OpenStack and PaaS product software under its own Helion OpenStack and Helion Stackato trademarks.