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## **COMP/M.5839 - SCHLUMBERGER/ SMITH INTERNATIONAL**

### **SECTION 1.2**

#### **Description of the concentration**

Pursuant to this transaction, Schlumberger Limited will acquire sole control of Smith International, Inc.

Schlumberger Limited is a global oilfield services company present in Europe, the Americas, Africa and Asia (including the Middle East). The company provides a wide range of products and services to assist in the discovery and evaluation of likely hydrocarbon deposits, the drilling, completion and workover of oil and gas wells, and overall optimisation of reservoir performance for customers working in the oil and gas industry worldwide.

Schlumberger's business is principally split between Schlumberger Oilfield Services and WesternGeco. Schlumberger Oilfield Services provides a wide variety of services and technology, as well as some products to assist oil and gas exploration and production companies, namely: wireline logging services, various drilling and measurement services (including directional drilling services), testing services, slickline services, coiled tubing services, artificial lift pumps and services, completions products and services, sand management services, subsea services, data and consulting services, and information solutions, as well as carbon and water services. WesternGeco is a surface seismic company.

Smith International, Inc. is a diversified oilfield services company based in Houston, Texas (US). It is a provider of products and services used by operators during the drilling completion and production phases of oil and natural gas development activities. Smith provides products and engineering services including drilling and completion fluids; solids control and separation equipment; waste-management equipment and services; water treatment systems; oilfield production chemicals; directional drilling services; two-cone, three-cone and diamond drill bits; turbine drilling products; drilling and fishing tools; borehole enlargement tools; casing exit; and packers, liner hangers and tubular products.

Smith operates through three operating segments: (i) Smith Oilfield which is comprised of: Completion & Production, Drilling & Evaluation and Technologies; (ii) M-I SWACO, a joint venture, 60% owned by Smith and 40% owned by Schlumberger, with four principal operating segments: Drilling Solutions, Wellbore Productivity, Production Technologies and Environmental Solutions; and (iii) Wilson, which provides pipe, valve and valve automation, fittings, mill and tool supplies, and safety products to the energy and industrial markets.

Both Schlumberger and Smith are active in the oilfield services and products industry in the EEA. However, the businesses of the parties are largely complementary and there are few overlapping operations.