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COMP/M.6066 - KIA MOTORS EUROPE / KIA MOTOR SPA

SECTION 1.2

Description of the concentration

The proposed transaction refers to the acquisition by Kia Motors Europe GmbH ("**KME**"), a company under the exclusive control of a global manufacturer of motor vehicles, Hyundai Motor Company ("**HMC**"), of the wholesale distribution business of KIA vehicles and related spare parts in Italy (the "**Business**"), currently carried out by Kia Motors Italia S.p.A. ("**KMI**"), a company under the exclusive control of the official distributor of three vehicles' brands in Italy (Kia, Mitsubishi and Ssanyong), Koelliker S.p.A. ("**Koelliker**"). With regard to KIA trademark, KMI, according to the distribution agreement in place with KME, is the non-exclusive selective wholesale distributor. Notwithstanding that KMI is the only wholesale distributor of KIA vehicles in Italy. KMI is not active in the retail distribution and, after the Transaction, KME also will not be active at that level of the value chain. As such the Transaction will not bring about any change at the wholesale distribution and will have no impact on the retail distribution level.

In light of the activities performed by the undertakings concerned and in line with the previous Commission's decision (see *Case No COMP/M.5323 - HMC/ HAI*), the relevant product and geographical markets for the purpose of the proposed transaction are:

- (a) the world-wide market for the manufacturing of new vehicles, which can be subdivided into (i) passenger cars ("**PC**") and (ii) light commercial vehicles ("**LCV**");
- (b) the Italian market for wholesale distribution of new vehicles, namely (i) PC and (ii) LCV.

However, for the sake of completeness, the Parties will supply also information on the mentioned relevant product markets and on all their plausible alternatives at all the geographical levels – e.g. world-, EFTA-, EU-, Italy-wide. Indeed, the market shares of the Parties are not particularly significant in any possible geographic market definition and, therefore, the question on the precise scope of the relevant product markets can be left open.