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**COMP/M.6455- SCA / GEORGIA-PACIFIC EUROPE**

**SECTION 1.2**

**Description of the concentration**

1. The parties to the transaction which is the subject of this notification are Svenska Cellulosa Aktiebolaget SCA AB (“SCA”) and Georgia Pacific LLC (“GP”), together referred to as “the parties”. The transaction concerns the proposed acquisition by SCA of Georgia Pacific’s European consumer products business (“GPE”).
2. SCA is a global hygiene and paper company that develops, produces and markets personal care products, tissue, packaging solutions, publication paper and solid wood products.
3. In the EEA, SCA supplies a range of consumer tissue (“CT”) products under both its own brands, which differ from country to country, and also to retailers for their own retailer brands. SCA is also a supplier to the Away-From-Home (“AFH”) sector where it supplies under the Tork brand and also unbranded products. In addition, SCA supplies parent reels to third parties.
4. GPE is a collection of wholly-owned subsidiaries of GP which is in turn a wholly-owned subsidiary of Koch Industries, Inc. GP manufactures (among other things) a wide range of forest-related products, such as pulp, building products, packaging and tissue products.
5. In the EEA, GPE manufactures a range of CT products under both its own brands, which differ from country to country, and retailer brands. GPE is a supplier to the AFH sector under the Lotus Professional brand and unbranded products. GPE also supplies parent reels to third parties. Finally, GPE supplies a range of cotton make up remover products under the Demak’Up brand (including cotton pads, eye make-up remover and baby cotton).

6. The proposed acquisition will combine two businesses with largely complementary activities and will create significant efficiencies that will benefit customers and ultimately end consumers.
7. SCA and GPE are both active in the AFH and CT sectors. In the CT sector, both parties manufacture their own brands and retailer brand products.
8. The parties have identified affected markets in relation to the supply of the following:
  - (a) parent reels at EEA level;
  - (b) manufacturer branded CT at a national or regional level;
  - (c) retailer branded CT at a regional level;
  - (d) AFH tissue at a national or regional level.
9. SCA is also acquiring GPE's Demak'Up personal care business, in relation to which there is no overlap.
10. The tissue market in Europe is characterized by well-developed consumption levels and a continued consumer shift to retailer brand products. The transaction will give SCA an improved brand portfolio, strengthened insight and innovation capabilities and an expanded platform, for continued investment in manufacturer and retailer consumer brands, as well as AFH products.
11. SCA considers that this concentration is compatible with the EUMR and will not lead to a significant impediment to effective competition.