

***Case No IV/M.1498 -
AEGON /
TRANSAMERICA***

Only the English text is available and authentic.

**REGULATION (EEC) No 4064/89
MERGER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 07/06/1999

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 07.06.1999

PUBLIC VERSION

MERGER PROCEDURE
ARTICLE 6(1)(b) DECISION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EEC) No 4064/89 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus [...]. Where possible the information omitted has been replaced by ranges of figures or a general description.

To the notifying party

Subject: Case No IV/M. 1498 – AEGON/TRANSAMERICA

Notification of 30.04.1999 pursuant to Article 4 of Council Regulation N/ 4064/89

1. On 30.04.1999, the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EEC) No 4064/89¹ by which AEGON N.V. acquires within the meaning of Article 3(1)(b) of the Council Regulation control of the whole of Transamerica Corporation.
2. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of Council Regulation (EEC) No 4064/89 and does not raise serious doubts as to its compatibility with the common market and with the functioning of the EEA Agreement.

I. THE PARTIES' ACTIVITIES AND THE OPERATION

3. AEGON provides life and non life insurance, pension products as well as other financial services. Transamerica Corporation is a financial services organisation which engages primarily through its subsidiaries in life insurance, reinsurance, commercial lending, leasing and real state services, mainly in the USA. Transamerica Corporation is not involved in the marketing of life and non-life and pension products in the European Union. The two main activities in which Transamerica Corporation is active in the European Union are commercial lending and leasing of trailers and marine containers.

¹ OJ L 395, 30.12.1989 p.1 ; corrected version OJ L 257 of 21.9.1990, p.13, as last amended by Regulation (EC) No 1310/97, OJ L 180, 9.9.1997, p.1, corrigendum in OJ L 40, 13.2.1998, p.17.

4. On 18 February 1999 AEGON and Transamerica Corporation signed the Merger Agreement providing for AEGON's acquisition of all of Transamerica's outstanding common stock for a combination of cash and AEGON stock. The operation is expected to close during the summer of 1999.

II. COMMUNITY DIMENSION

5. AEGON and Transamerica Corporation have a combined aggregate world-wide turnover in excess of EURO 5,000 million (AEGON, EURO 12,092 million; and Transamerica Corporation, EURO 5,734 million). Each of them has a Community-wide turnover in excess of EURO 250 million (AEGON, EURO [...] million; and Transamerica Corporation, EURO [...] million), but they do not achieve more than two-thirds of their aggregate Community-wide turnover within one and the same Member State. The notified operation therefore has a Community dimension, but does not constitute a cooperation case under the EEA Agreement, pursuant to Article 57 of that Agreement.

III. COMPETITIVE ASSESSMENT

A. Relevant product markets

6. The notifying party states that there are relevant product markets for non-life insurance, life insurance and pensions, commercial lending, leasing and, marginally, other financial services provided mainly for AEGON including saving related, asset management, investment banking and other. However, it is not necessary to further delineate the relevant product markets because, in all alternative market definitions considered, effective competition would not be significantly impeded in the EEA or any substantial part of that area.

B. Relevant geographic markets

7. The notifying party states that the relevant geographic markets are national (insurance to individuals and retail banking related services), European-wide (trailer leasing and services provided to corporate clients) and global (re-insurance and all subsegments of marine container operating leasing). It is not necessary to further delineate the relevant geographic markets because, in all alternative geographic market definitions considered, effective competition would not be significantly impeded in the EEA or any substantial part of that area.

C. Assessment

8. AEGON operates mainly in The Netherlands with market shares for life insurance of [less than 15%]. For non-life insurance subsegments, market shares are below 10%. AEGON operates, to a minor extent, in the UK through its affiliate Scottish Equitable and in a number of other Member States.
9. Even if leased containers/trailers were to be considered as a separate market from owned containers/trailers, Transamerica Corporation would have a market share of [less than 30%] in the segment for dry freight special marine container operating-leasing. Transamerica Corporation has a negligible presence in lending business in the UK. The operations of the two companies are geographically complementary in Europe, the main impact of the merger will be to provide AEGON with a greater presence in the United

States where the new group becomes the second largest life reinsurer and the third largest direct life insurer. Due to the companies' unrelated product lines in Europe, the merger will not change any market shares in the relevant product markets in Europe.

10. Consequently, the proposed concentration does not create or strengthen a dominant position as a result of which effective competition would be significantly impeded in the EEA or any substantial part of that area.

IV. CONCLUSION

11. For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the functioning of the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of Council Regulation (EEC) No 4064/89.

For the Commission,