

***Case No COMP/M.2003 -  
CARLYLE / GRUPPO  
RIELLO***

Only the English text is available and authentic.

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

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Article 6(1)(b) NON-OPPOSITION  
Date: 27/06/2000

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## COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.06.2000

**SG (2000) D/104485**

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 Where possible the information omitted has been replaced by ranges of figures or a general description.

PUBLIC VERSION

MERGER PROCEDURE  
ARTICLE 6(1)(b) DECISION

To the notifying party

Dear Sirs,

**Subject: Case No COMP/M. 2003 – CARLYLE/GRUPPO RIELLO**

Notification of 19.05.2000 pursuant to Article 4 of Council Regulation No 4064/89

1. The operation consists of the acquisition by the Guernsey-based, Carlyle Europe Partners L.P. (“Carlyle”), of a 50% shareholding in the Italian Gruppo Riello S.p.A. (“Gruppo Riello”).
2. After examination of the notification, the Commission has concluded that the proposed 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 the functioning of the EEA Agreement.

### **I. THE PARTIES AND THE OPERATION**

3. Carlyle is a European investment fund which forms part of the Carlyle Group, a US-based investment fund. Gruppo Riello is active in the manufacture and distribution of heating equipment. It achieves most of its sales within the EU, and therein mainly in Italy.
4. Following the transaction Carlyle will have joint control over Gruppo Riello with the Ettore Riello family, through its acquisition of a 50% shareholding and its representation on the Board of Directors. The four members of the Ettore Riello family do not carry out any economic activities on their own, either together or separately.

### **II. CONCENTRATION OF A COMMUNITY WIDE DIMENSION**

5. The operation constitutes a concentration within the meaning of Article 3.1.b of the Merger Regulation.
6. Gruppo Riello and the Carlyle Group have a combined aggregate worldwide turnover in excess of €5,000 million (Gruppo Riello, [...] Carlyle Group, [...]). Each of them has a Community-wide turnover in excess of €250 million (Gruppo Riello, [...] Carlyle Group [...]), and they do not achieve more than two thirds of their respective aggregate Community-wide turnovers within one and the same Member State. The operation, therefore, has a Community-wide dimension.

### **III. COMPATIBILITY WITH THE COMMON MARKET**

7. The concentration concerns the sector for the manufacture and distribution of heating equipment in which Gruppo Riello is active. As neither Carlyle, nor the Carlyle Group have a controlling interest in any company which is active in the same business as Gruppo Riello, or in any upstream or downstream market, the operation will not lead to any affected markets, nor does the operation raise any other competition concerns.
8. Thus it is considered that the proposed operation will not lead to the creation or strengthening of a dominant position in the sector concerned, as a result of which effective competition would be significantly impeded in the common market or a substantial part thereof.

### **IV. CONCLUSION**

9. For the above reasons the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and the EEA Agreement. This decision is adopted in application of Article 6.1. b. Council Regulation (EEC) No 4064/89.

For the Commission,

Mario Monti  
Member of the Commission