

***Case No COMP/M.2696 -  
TMD / MENETA / MAST***

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: 25/01/2002

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25.01.2002  
SG (2002) D/228229

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 Where possible the information omitted has been replaced by ranges of figures or a general description.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

**Subject: Case No COMP/M.2696 - TMD/MENETA/MAST  
Notification of 17.12.2001 pursuant to Article 4 of Council Regulation  
No 4064/89<sup>1</sup>**

1. On 17.12.2001, the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EEC) No 4064/89<sup>2</sup> by which the Danish company MENETA A/S ('Meneta') belonging to the A.P. Møller group and the German company TMD Friction Europe GmbH ("TMD") ultimately controlled by HSBC Holding plc. acquire within the meaning of Article 3(1)(b) of the Council Regulation joint control of Meneta Advanced Shims Technology A/S ("MAST") by way of purchase of shares.
2. After examination of the notification, the Commission has concluded that the notified operation falls within the Merger Regulation and does not raise serious doubts as to its compatibility with the common market.

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

3. Meneta manufactures components for automobile brakes. TMD manufactures automotive friction materials. MAST manufactures automobile brake shims, which are anti-vibration devices, consisting of rubber-coated steel sheets, used in automotive disc brakes.

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<sup>1</sup> OJ L 395, 30.12.1989 p. 1; corrigendum OJ L 257 of 21.9.1990, p. 13; Regulation as last amended by Regulation (EC) No 1310/97 (OJ L 180, 9. 7. 1997, p. 1, corrigendum OJ L 40, 13.2.1998, p. 17).

<sup>2</sup> OJ L 395, 30.12.1989 p. 1; corrigendum OJ L 257 of 21.9.1990, p. 13; Regulation as last amended by Regulation (EC) No 1310/97 (OJ L 180, 9. 7. 1997, p. 1, corrigendum OJ L 40, 13.2.1998, p. 17).

4. MAST currently forms part of Meneta's activities, and will be spun off as a separate company, in which TMD will acquire a shareholding and joint control.

## **II. CONCENTRATION**

5. Meneta will be a full-function joint venture; it will receive some administrative support from Meneta for a transitional start-up period only. The operation constitutes a concentration within the meaning of Article 3(2) of the Merger Regulation.

## **III COMMUNITY DIMENSION**

6. The undertakings concerned have a combined aggregate worldwide turnover of more than EURO 5 billion. Each of TMD and Meneta have a Community-wide turnover in excess of EURO 250 million, but they do not each achieve more than two-thirds of their aggregate community-wide turnover within one and the same Member State. Therefore the notified operation has a Community dimension.

## **IV COMPETITIVE ASSESSMENT**

7. MAST's only activity will be the production of anti-vibration shims for automotive disc brakes. Shims can easily be transported around the world, and the relevant geographic market is at least EU-wide.
8. The turnover attributable to the new joint venture is only about [...], representing about [ $>5\%$ ] of EU shim sales. Shims are only a small component of automotive brake systems, and MAST will not lead to coordination between Meneta and TMD, which are both active competitors on a much larger scale on upstream markets (eg brake pads). Again, given MAST's small market share, foreclosure effects can be excluded, since no vertical interdependence will result.

## **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) of the Merger Regulation.

For the Commission

Mario MONTI  
Member of the Commission