

*Case No IV/M.459 -
C I N V e n / C I E
Management II / BP
Nutrition Division*

Only the English text is available and authentic.

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

Article 6(1)(b) NON-OPPOSITION
Date: 29/09/1994

*Also available in the CELEX database
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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.09.1994

PUBLIC VERSION

MERGER PROCEDURE
ARTICLE 6(1)(b) DECISION

To the notifying parties

Dear Sirs,

**Subject: Case No. IV/M.459 - CINVen / CIE Management II / BP Nutrition Division
Your notification of 26.8.94 pursuant to Article 4 of Council Regulation No. 4064/89**

1. On 26 August 1994 CINVen Ltd and CIE Management II Ltd notified to the Commission their intended acquisition of joint control of the BP Nutrition Division of The BP Petroleum Co plc.
2. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of application of Council Regulation 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

3. CINVen, a wholly owned subsidiary of the British Coal Corporation, provides management advice and services to various pension and insurance funds.
4. CIE Management II, a wholly owned subsidiary of Barings plc, is the general partner and investment manager to various investment funds.
5. The BP Nutrition Division is a division of the British Petroleum Co plc consisting of about 160 companies throughout the world which supply feed and animal products and agri specialities, breed hybrid livestock and market fish feed for cold water species.

II THE OPERATION

6. The concentration will be effected through the acquisition by investment funds managed by CINVen or CIE Management II and by the existing management of the BP Nutrition Division

of shares in Anchor Holding BV, a corporation established in the Netherlands for the sole purpose of effecting the acquisition, in the following proportions:

Funds managed by CINVen	45	per cent
Funds managed by CIE Management II	45	
Existing management of the BP Nutrition Division:	10	
	<hr/>	
	100	

7. Anchor Holding will acquire the shares in or the assets of the companies in the BP Nutrition Division.
8. The share capital of Anchor Holding is divided into A shares, B shares and preference shares. All the A shares are held by the funds managed by CINVen or CIE Management II.
9. Anchor Holding is governed by a supervisory board and an executive board. CINVen and Baring Capital Partners (another subsidiary of Barings) have equal votes on the supervisory board; the A shareholders can prevent the election of other supervisory directors. The executive board must in specified respects act in cooperation with the supervisory board. The company itself is prohibited by the Investment and Shareholders' Agreement from taking important steps without the consent of the supervisory board; these include adopting the budget, adopting or revising any corporate, business or strategic plan for the Anchor corporate group, incurring capital expenditure in excess of the budget and employing, dismissing or altering the remuneration or terms of employment of the existing management of the BP Nutrition Division or their successors.
10. It follows that the company, and thus the BP Nutrition Division, will be jointly controlled by CINVen and CIE Management II.

III CONCENTRATION OF COMMUNITY DIMENSION

11. The notified operation results in the creation of a full-function joint venture which operates on markets entirely distinct from those of CINVen and CIE Management II. CINVen and CIE Management II themselves operate on similar markets; but the operation involves no significant risk of cooperative behaviour between them. The notified operation thus constitutes a concentration within the meaning of Article 3(1)b of the Regulation.
12. The undertakings concerned have a combined aggregate worldwide turnover in excess of 5000 million ECU. Both CINVen and the BP Nutrition Division have a Community-wide turnover in excess of 250 million ECU, but 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.

IV COMPATIBILITY WITH THE COMMON MARKET

Relevant product markets and geographical reference markets; competitive assessment

13. CINVen and CIE Management II supply a wide variety of financial services. The BP Nutrition Division is engaged in the supply of feed, animal products and agri specialities, animal breeding and aquaculture. Except as the manager of a fund which might have an indirect or minority financial interest in an undertaking which is active in a product market in which the BP Nutrition

Division is active, neither CINVen nor CIE Management II is active in such a market. There are accordingly no affected markets.

V CONCLUSION

14. For the foregoing reasons, the proposed concentration does not raise serious doubts as to its compatibility with the common market and with the functioning of the EEA Agreement.

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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 No. 4064/89.

For the Commission