



EUROPEAN COMMISSION
DG Competition

Case M.7973 - GERDAU / SUMITOMO / JV

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004
MERCER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 02/08/2016

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EUROPEAN COMMISSION

Brussels, 02.08.2016
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PUBLIC VERSION

SIMPLIFIED MERGER
PROCEDURE

To the notifying parties:

Dear Sirs,

**Subject: Case M.7973 – GERDAU / SUMITOMO / JV
Commission decision pursuant to Article 6(1)(b) of Council Regulation (EC)
No 139/2004¹ and Article 57 of the Agreement on the European Economic Area²**

1. On 7 July 2016, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Gerdau S.A. ("Gerdau", Brazil) and Sumitomo Corporation ("Sumitomo", Japan) acquire within the meaning of Article 3(1)(b) of the Merger Regulation joint control of Gerdau-Summit Aços Fundidos E Forjados S.A. (the "JV", Brazil) by way of purchase of shares.³
2. The business activities of the undertakings concerned are:
 - for Gerdau: the production and commercialization of steel products, through its mills located in fourteen different countries in the Americas, Asia and Europe.

¹ OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.

² OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

³ Publication in the Official Journal of the European Union No C 257, 15.7.2016, p. 13.

- for Sumitomo: trading of metal products, transportation and construction of systems, environment and infrastructure, chemicals and electronics, media, networks and lifestyle related goods, mineral resources and energy.
 - for the JV: manufacture and sale of forged and cast rolling mill rolls and forged steel products such as main shaft and rings for bearings mainly for wind turbines, sugar cane production, mining, cement, electric or steam generators, oil and gas businesses.
3. After examination of the notification, the European Commission has concluded that the notified operation falls within the scope of the Merger Regulation and of paragraph 5(a) and (b) of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004.⁴
4. For the reasons set out in the Notice on a simplified procedure, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)

*Johannes LAITENBERGER
Director-General*

⁴ OJ C 366, 14.12.2013, p. 5.