



EUROPEAN COMMISSION  
DG Competition

***Case M. 8560 – HAPM / MAGNA / JV***

Only the English text is available and authentic.

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

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Article 6(1)(b) NON-OPPOSITION

Date: 02/08/2017

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## EUROPEAN COMMISSION

Brussels, 2.8.2017  
C(2017) 5560 final

PUBLIC VERSION

To the Notifying Parties

**Subject: Case M.8560 – HAPM / MAGNA / JV  
Commission decision pursuant to Article 6(1)(b) of Council Regulation (EC)  
No 139/2004<sup>1</sup> and Article 57 of the Agreement on the European Economic Area<sup>2</sup>**

Dear Sir or Madam,

1. On 10 July 2017, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Hubei Aviation Precision Machinery Technology Co., Ltd. (China) (“HAPM”) ultimately controlled by Aviation Industry Corporation of China, Beijing (China) (“AVIC”), and Magna International Inc. (Canada) (“Magna”) acquire within the meaning of Article 3(1)(b) of the Merger Regulation joint control of Hubei HAPM MAGNA Seating Systems Co., Ltd., (China) (the “JV”) by way of purchase of shares in a newly created company constituting a joint venture to which HAPM and Magna will each contribute a business with a market presence.<sup>3</sup>
2. The business activities of the undertakings concerned are:
  - HAPM: the supply of seat mechanism and structure components;
  - Magna: the supply of a broad range of automotive components, including body, chassis, exterior, seating, powertrain, active driver assistance, vision, closure and roof systems, as well as complete vehicle engineering and contract manufacturing;
  - JV: will be active in the manufacture and sale of components for automotive seats for passenger cars and light commercial vehicles (seat structures and seat mechanisms) for

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<sup>1</sup> 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.

<sup>2</sup> OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

<sup>3</sup> Publication in the Official Journal of the European Union No C 230, 15.7.2017, p. 51.

the Chinese market. The Parties have not foreseen any expansion of the JV's business activity into the EEA.

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) of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004.<sup>4</sup>
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*

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<sup>4</sup> OJ C 366, 14.12.2013, p. 5.