

*Disclaimer :*

*The Competition DG makes the information provided by the notifying parties in section 1.2 of Form CO available to the public in order to increase transparency. This information has been prepared by the notifying parties under their sole responsibility, and its content in no way prejudices the view the Commission may take of the planned operation. Nor can the Commission be held responsible for any incorrect or misleading information contained therein.*

**M.10788 – UTUM / SCHWARZ GROUP / APPLIEDAI**

**SECTION 1.2**

**Description of the concentration**

On 23 May 2022, the European Commission received the notification of a proposed concentration by which the UnternehmerTUM Group (“UTUM“) and Schwarz Group plan to hold – indirectly - joint control over UnternehmerTUM Solutions GmbH, which will be renamed into appliedAI GmbH (hereinafter: “appliedAI”), in the sense of Article 3(1)(b) and 3(4) of the Merger Regulation.

In a first step, UTUM will reorganize its applied AI division in appliedAI by contributing relevant assets and liabilities to the joint venture entity, which was formed for purposes of carving out the appliedAI business. In a second step, Schwarz Group will– indirectly – subscribe to 50% of the shares in appliedAI following a capital increase, while UTUM will continue to - indirectly- hold the remaining 50% of the shares. The parties will hold equal voting rights. Each party will be able to block decisions in appliedAI and thus jointly control appliedAI. AppliedAI will have all the resources to operate independently on the market and thus qualifies as a full function joint venture.

- UTUM is headquartered in Germany and operates a center for innovation and business creation in Europe. The center is managed by the non-profit UnternehmerTUM GmbH and its subsidiaries. It offers a wide range of entrepreneurial qualification programs for students, scientists and professionals as well as start-up consulting, research and qualification services as well as a strong founder network.
- Schwarz Group is headquartered in Germany and active mainly in food retailing, in the production of food for its retail companies and in the collection, sorting, processing and recycling of waste as an integrated service provider in the field of waste management.
- AppliedAI will be headquartered in Germany and will include the current applied artificial intelligence research and consulting activities of UTUM. Moreover, appliedAI will form a wholly owned non-profit subsidiary, which will develop a European research and education center for AI