



EUROPEAN COMMISSION
DG Competition

Case M.11049 - TRITON / CAVERION

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

Article 6(1)(b) NON-OPPOSITION
Date: 31/08/2023

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EUROPEAN COMMISSION

Brussels, 31.8.2023
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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 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 Where possible the information omitted has been replaced by ranges of figures or a general description.

TFF V Limited
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Channel Islands

Subject: Case M.11049 – TRITON / CAVERION
Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004¹ and Article 57 of the Agreement on the European Economic Area²

Dear Sir or Madam,

- (1) On 26 July 2023, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Triton Fund V (**‘Triton’** or the **‘Notifying Party’**), which belongs to the Triton group of funds and whose general partners are Triton Managers V Limited and TFF V Limited, acquires within the meaning of Article 3(1)(b) of the Merger Regulation sole control of the whole of Caverion Oyj (**‘Caverion’** or the **‘Target’**) (the **‘Transaction’**)³. Triton and Caverion are together referred to as the **‘Parties’**.

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 274, 03.08.2023, p. 19.

1. THE PARTIES

- (2) **Triton** is an investment fund based in Jersey managing and advising companies, primarily medium-sized businesses headquartered in Central and Northern Europe, in particular in Austria, Germany, Switzerland, the Benelux and the Nordic countries. Triton focuses especially on businesses in four core sectors: Business Services, Industrials, Consumer, and Health. With regards to building engineering and building automation services, Triton controls Assemblin AB ('Assemblin') and Habeo Group Oy ('Habeo Group'), and in the supply of technical installation and services sector Glamox, FläktGroup, Kelvion, ACRE, Norres and Talis.
- (3) **Caverion** is a public limited liability company headquartered in Vantaa, Finland, and operates in building technology and industrial processes installation and maintenance, notably in heating, electricity, energy, ventilation, cooling, building automation and building security technical disciplines. In addition, Caverion provides maintenance services for industrial manufacturing processes such as hydropower, pulp & paper manufacturing, and chemical processes. Caverion operates in ten countries in Northern and Central Europe.

2. THE OPERATION AND THE CONCENTRATION

- (4) The case relates to the indirect acquisition of sole control over Caverion by Triton through Crayfish BidCo Oy, an acquisition vehicle controlled by Triton. The Transaction would be accomplished through a voluntary public tender offer for all the issued and outstanding shares of Caverion. Therefore, the Transaction constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.
- (5) Pursuant to a partial referral decision issued by the Commission on 22 May 2023, the effects of the Transaction on competition in Finland are examined by the Finnish Competition and Consumer Authority.

3. UNION DIMENSION

- (6) In 2021, the Parties had a combined aggregate world-wide turnover of more than EUR 5 000 million (Triton: EUR [...]; Caverion: EUR 2 140 million). Each of them had an EU-wide turnover of more than EUR 250 million (Triton: EUR [...]; Caverion: EUR [...]), and they did not achieve more than two-thirds of their respective aggregate EU-wide turnover within one and the same Member State. Thus, the Transaction has an EU dimension within the meaning of Article 1(2) of the Merger Regulation.

4. MARKET DEFINITION

- (7) The activities of the Parties overlap in building engineering in Sweden and Norway and more specifically in the provision of (i) low voltage (up to 24Kv) electrical engineering (i.e., installation and maintenance of lighting and electric systems, including lighting, solar panels, electrical components, electric-vehicle charging stations etc.), (ii) ventilation engineering (i.e., installation and maintenance of ventilation and air conditioning systems), and (iii) water and sanitation services

(i.e., installation and maintenance of technical systems for heating, sanitation, sprinkler, industrial piping, wastewater and water solutions).⁴

4.1. Product Market

4.1.1. The Commission's past decisional practice

- (8) In previous decisions, the Commission considered that the market for electrical and mechanical engineering services (i.e., building engineering) belonged to a distinct product market,⁵ which includes the design, installation, and maintenance of the electrical and mechanical infrastructure of buildings necessary for power supply, fire protection, water and sanitation, security, and access control as well as heating, ventilation and air conditioning systems of buildings.⁶
- (9) In addition, the Commission made a distinction between the provision of (i) electrical, (ii) ventilation and (iii) water and sanitation engineering services.⁷
- (10) Within the possible respective segments for electrical and ventilation engineering services, the Commission has also considered possible further segmentations based on (i) the type of work (installation versus maintenance) and (ii) the type of customers (residential versus non-residential), and (iii) within the non-residential segment, between infrastructure, industry, and tertiary (i.e., services).⁸
- (11) Furthermore, concerning electrical engineering services, the Commission has considered a possible sub-segmentation between (i) high (V220 to V380) and low (V0 to V48) voltage installations and maintenance, and (ii) between large and small installation projects.⁹

⁴ The Notifying Party notes that the activities of the Parties also horizontally overlap in the market for the provision of (i) building automation services (i.e., solutions for the automatic control and monitoring of technical heating, cooling, monitoring, alarm, lighting, and ventilation systems in buildings) in Sweden; and (ii) technical facility management services in Germany and Austria. In addition, the activities of the Parties vertically overlap in Germany, Austria, Lithuania, Denmark Sweden, and Norway, because of Triton's (through its portfolio company FläktGroup) upstream activity of manufacturing and supplying air handling units for ventilation and air conditioning installations and Caverion's downstream activity in the ventilation engineering market. (Form CO, paragraphs 17, 97 and 105-122). However, as the Transaction does not give rise to affected markets as a result of these overlaps under any plausible product and geographic market definition, they will not be further discussed in this decision.

⁵ M.874 – AMEC PLC / Financiere Spie Batignolles SCA / Spie Batignolles SA, dated 6 February 1997, paragraphs 15-16.; M.5445; M.7987- Towerbrook Capital Partners / Infopro Digital, dated 13 May 2016, paragraphs 13-14.

⁶ M.5210 - Siemens / Ortner / JV, dated 31 July 2008, paragraph 11.

⁷ M.10575 - Bouygues / Equans, dated 19 July 2022, paragraph 39; M.5701 - Vinci / Cegelec, dated 26 March 2010, paragraph 9 and ff; and M.6623 - Vinci / EVT Business, dated 31 August 2012, paragraph 7 and ff. M.3004 - Bravida / Semco / Prenad / Totalinstallatören / Backlunds, dated 13 December 2002, paragraph 8 and ff; and M.7785 - Triton / Imtech Nordic, dated 29 October 2015, paragraph 13.

⁸ M.6623 - Vinci / EVT Business, dated 31 August 2012, footnotes 12-13; M.10575 - Bouygues / Equans, dated 19 July 2022, paragraph 40; M.10314 - Vinci / S.A. Energia, dated 25 October 2021, paragraph 9.

⁹ M.3004 - Bravida / Semco / Prenad / Totalinstallatören / Backlunds, dated 13 December 2002, paragraph 10; and M. 2118 - Telenor / Procuritas / ISAB / Newco, dated 25 September 2000, paragraph 11.

- (12) Moreover, regarding ventilation engineering services the Commission considered, but left open whether large and small ventilation projects constituted separate product markets.¹⁰
- (13) Finally, within water sanitation engineering services, the Commission considered but left open whether large and small sanitary installations constituted separate product markets.¹¹

4.1.2. *The Notifying Party's view*

- (14) The Notifying Party submits that it is theoretically possible to divide the electrical and mechanical engineering market per discipline (i.e., between, among others, electrical, ventilation and water and sanitation engineering services).¹² However, the Notifying Party argues that from a supply-side perspective, it would be more appropriate to consider an overall market for the provision of electrical and mechanical engineering services, because (i) the main providers are able to offer the full range of these services; and (ii) the Target, which offers the full range of these services, does not divide its business along discipline lines.¹³
- (15) Besides, the Notifying Party disagrees with the Commission's past decisional practice with regard to the following.
- (16) First, the sub-segmentation by type of work (i.e., between installation and maintenance). From a supply-side perspective the Notifying Party submits that (i) the dividing line between maintenance and installation is not clear-cut, and even when market participants divide their business between the two, they often categorise revenues as maintenance, for instance, even though the service includes installation components;¹⁴ (ii) while industry reports (e.g., Prognoscentret)¹⁵ provide a split between installation and maintenance services, the same reports acknowledge that there is no uniform industry-wide method for distinguishing between these two categories;¹⁶ and, (iii) these two categories require the same skillset, and are therefore provided by the same teams, utilising the same resources.¹⁷ In this context, the Notifying Party estimates that about 90-95% of the entities active in these markets in the Nordics offer both installation and maintenance services. From a demand-side perspective, the Notifying Party submits that between 2021-2023, [...] of Caverion's revenues in Sweden and between [...] of Caverion's revenues in Norway (in all disciplines of the electrical

¹⁰ M.3004 - Bravida / Semco / Prenad / Totalinstallatören / Backlunds, dated 13 December 2002, paragraphs 13 and 16-18.

¹¹ M.3004 - Bravida / Semco / Prenad / Totalinstallatören / Backlunds, dated 13 December 2002, paragraphs 13-15.

¹² Form CO, paragraph 140.

¹³ Form CO, paragraph 141.

¹⁴ Form CO, paragraph 144. In this Context, the Notifying Party submits that Caverion operates different business segments for the provision of installation and maintenance services in Norway and Sweden, but that there are no separate units for each discipline. However, Triton's portfolio company Assemblin does not have separate company divisions for installation and maintenance services in the technical disciplines that it is active in. (Form CO, paragraph 147).

¹⁵ Annex 9_5.4(iii)_22 to the Form CO.

¹⁶ Form CO, paragraph 145.

¹⁷ Form CO, paragraph 145 and ff.

and mechanical engineering services market) originate from customers that procured both installation and maintenance services.¹⁸

- (17) Second, according to the Notifying Party the sub-segmentation based on the type of customer (i.e., between residential and non-residential customers) would be artificial from a supply-side perspective, as (i) participants in the market are typically active in providing the same engineering services irrespective of whether the building is an industrial real estate or a residential building; (ii) there is no difference in the technologies involved irrespective of the type of customer; and, (iii) the prices charged for the services are not a consequence of the type of customer.¹⁹
- (18) Third, the Notifying Party submits that the industry does not segment the market based on size and level of complexity of each project, as there exists no practicable and clear delineation between the two. Furthermore, the Notifying Party is not aware of industry reports segmenting the market along these dimensions. According to the Notifying Party, although there is variability between building projects based on size (e.g., contract value) and complexity (e.g., depending on the level of technical sophistication required by different customers), it is not possible to identify clear dividing lines between projects of large and small scale, as well as projects with ‘complex’ and ‘less complex’ requirements, as each building project’s technical profile comprises a multitude of factors, many of which are very context-specific. By way of example, the Notifying Party explains that the size of a project is highly dependent on the set of circumstances that constitute the benchmark, against which the comparison is being made, and could depend on the geographic location, the respective capacity/offerings of different competitors etc.²⁰
- (19) Fourth, the Notifying Party further submits that the segmentation of the market for the provision of electrical engineering services for non-residential customers between the industry, infrastructure and tertiary sectors is not relevant for the purposes of the assessment of the Transaction, because there is no overlap between the Parties’ activities in relation to these segments. In particular, the Notifying Party (through its portfolio companies) is only active in the installation and maintenance of electrical engineering services for traditional real estate, as opposed to infrastructures outside of buildings (e.g., electrical grids, roads, railways, and water towers) or installing industrial equipment, such as machinery, equipment, and systems for industrial processes (e.g., machines, production lines, turbines, industrial piping).²¹
- (20) The Notifying Party finally submits that with regards to the electrical engineering services, the Parties’ activities only overlap in the provision of low-voltage electrical engineering services.²²

¹⁸ Form CO, paragraph 156.

¹⁹ Form CO, paragraph 161 and ff.

²⁰ Form CO, paragraph 170 and ff.

²¹ Form CO, paragraph 168 and ff.

²² Annex 12 to the Form CO, footnote 1.

4.1.3. *The Commission's assessment*

- (21) The results of the Commission's market investigation as well as the evidence in the Commission's file do not suggest that a departure from its past decisional practice would be justified. In any event, in the absence of competition concerns on any plausible market, the exact product market definitions can be left open, whereas the impact of the Transaction will be assessed on the basis of the narrowest plausible product market definitions followed by the Commission in past cases as that is where the overlap between the Parties' activities is strongest.

4.1.4. *Conclusion*

- (22) In light of the above, the Commission concludes that, for the purposes of this decision, a separate relevant product market should be defined for (i) electrical, (ii) ventilation and (iii) water and sanitation engineering services.
- (23) The questions whether the relevant product markets should be segmented by (i) the type of work (maintenance/installation); (ii) the type of customers (residential/non-residential); and (iii) size of project (large/small)²³ can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market or the functioning of the EEA Agreement, under any of the plausible alternative product market definitions.
- (24) Specifically, regarding the electrical engineering market, the Commission leaves open whether a distinction should be made between high- and low- voltage installations and maintenance, but in its assessment, it will only look into the low-voltage sub-segment, as the activities of the Parties do not overlap in the high-voltage segment.
- (25) Finally, the Commission leaves open whether the market for the provision of electrical engineering services for non-residential customers should be further segmented between the industry, infrastructure, and tertiary sectors, as the Parties' activities overlap only in respect of traditional real estate, and thus this segmentation is not relevant in the present case.²⁴

²³ There is no clear delineation between large and small projects. The Notifying Party considers that a conceivable threshold for this theoretic exercise could be at 10m SEK (equivalent to ~ EUR 1m) to delineate small installation projects from larger ones as this threshold is broadly based on internal approval processes that exist for installation contracts in Sweden and Norway within *Assemblin* and *Caverion*: Form CO, paragraph 174. In *M.3004 - Bravida / Semco / Prenad / Totalinstallatören / Backlunds*, a delineation based on contract value, as well as on the number of engineers involved (30 or more for large projects) was considered, but the market investigation did not provide a clear answer as to what threshold, if at all, might be appropriate. For the purposes of the present decision, the Commission accepts the delineation proposed by the Notifying Party.

²⁴ Triton confirms that the market sizes and shares only reflect real estate works, given that neither of the Parties is active in industrial, infrastructure or tertiary works, and therefore do not have relevant knowledge in these markets (Form CO, footnotes 137 and 170).

4.2. Geographic Market

4.2.1. *The Commission's past decisional practice*

(26) In previous decisions, the Commission has considered the relevant geographic markets for electrical, ventilation and water and sanitation engineering services, and their possible segments and sub-segments to be national²⁵ or local (i.e., regional, or narrower than regional)²⁶ in scope and conducted the competitive assessment at the regional level as the narrowest plausible market.

4.2.2. *The Notifying Party's view*

(27) In the Notifying Party's view, the market for electrical and mechanical engineering, including all their possible segments and sub-segments are national in scope. From a supply-side perspective, the Notifying Party submits that the main industry players in Sweden and Norway, including the Parties, (i) operate a network of offices and employ employees nation-wide; and, (ii) determine their general offering and pricing at a centralised level rather than on a localised basis.²⁷ From a demand-side perspective, customers can (and do) enter into framework contracts covering services across the country, and even when a provider is not active in all the regions of Sweden and/or Norway, it can work with local subcontractors to deliver services nationally. Furthermore, the Notifying Party submits that in relation to tenders, these are typically open to all suppliers in a country regardless of the specific regional location of their premises.

(28) Finally, the Notifying Party submits that the Transaction does not give rise to affected markets at the national level in any of the EEA States where the activities of the Parties overlap.²⁸

4.2.3. *The Commission's assessment*

(29) The results of the Commission's market investigation as well as the evidence in the Commission's file do not suggest that a departure from its past decisional practice would be justified. In any event, in the absence of competition concerns on any plausible market, the exact product market definitions can be left open, whereas the impact of the Transaction will be assessed on the basis of the geographic market definitions followed by the Commission in past cases.

4.2.4. *Conclusion*

(30) In light of the above, the Commission concludes that, for the purposes of this decision, the geographic market definitions for the provision of (i) electrical

²⁵ M.10719 - PGGM / DIF / Fudura, dated 3 August 2022, paragraphs 15-18; .10575 - Bouygues / Equans, dated 19 July 2022, paragraph 70; M.10314 - Vinci / S.A. Energia, dated 25 October 2021, paragraphs 16-19; M.9270 - Vinci Airports / Gatwick Airport, dated 15 March 2019, paragraphs 23-24; M.6623 - Vinci / EVT Business, dated 31 August 2012, paragraphs 13-16; and M.3653 - Siemens / VA Tech, dated 13 July 2005, paragraph 441.

²⁶ M.9270 - Vinci Airports / Gatwick Airport, dated 15 March 2019, paragraphs 11-13; and M.3004 - Bravida / Semco / Prenad / Totalinstallatören / Backlunds, dated 13 December 2002, paragraphs 19-23.

²⁷ Form CO, paragraph 188.

²⁸ Annex 12 to the Form CO.

engineering services; (ii) ventilation engineering services; and (iii) water and sanitation services as well as their possible segments could be national or local (*i.e.* regional, based on administrative county divisions) in scope, and that in any event, the exact geographic scope of these markets can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market or the functioning of the EEA Agreement, under any of the plausible alternative geographic market definitions.

- (31) The Commission will conduct its assessment at local level (*i.e.*, regional county level) in Sweden and Norway, as the Transaction does not give rise to affected markets at national level in any of the EEA Member States where the activities of the Parties overlap.

5. COMPETITIVE ASSESSMENT

5.1. Analytical Framework

- (32) Article 2 of the Merger Regulation requires the Commission to examine whether notified concentrations are compatible with the internal market, by assessing, pursuant to Articles 2(2) and (3), whether they would significantly impede effective competition in the internal market or in a substantial part of it, in particular as a result of the creation or strengthening of a dominant position.

- (33) Horizontal effects are those deriving from a concentration where the undertakings concerned are actual or potential competitors of each other in one or more of the relevant markets concerned. The Commission appraises horizontal effects in accordance with the Horizontal Merger Guidelines.²⁹ Horizontal effects may be non-coordinated or coordinated.

- (34) As regards horizontal non-coordinated effects, according to paragraph 26 of the Horizontal Merger Guidelines, a number of factors (the list of which is non exhaustive) may be taken into account in order to determine whether significant non-coordinated effects are likely to result from a concentration, including the combined entity's market power, closeness of competition and barriers to entry and/or expand.

5.2. Competitive Assessment

5.2.1. Introduction

- (35) The Transaction gives rise to the following horizontally affected markets:
- a. The provision of electrical engineering maintenance services (and its segment for non-residential customers) in certain regions of Sweden (*i.e.*, Hallands län and Västmanlands län);
 - b. The provision of ventilation engineering installation and maintenance services (and its segments by type of customer) in certain regions of Sweden (*i.e.*, Norrbottens län (overall and non-residential) and Västmanlands län (overall, residential and non-residential));

²⁹ Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings ('Horizontal Merger Guidelines'), OJ C 31, 5.2.2014.

- c. The provision of ventilation engineering installation services (and its segments by type of customer and size of project) in certain regions of Sweden (i.e., Norrbottens län (overall, residential, non-residential and large projects) and Västmanlands län (overall, residential, non-residential and small projects));
- d. The provision of ventilation engineering maintenance services (and its segment for non-residential customers) in a region of Sweden (i.e., Östergötlands län);
- e. The provision of water and sanitation installation and maintenance services (and its segment for non-residential customers) in a region in Norway (i.e., Oslo);
- f. The provision of water and sanitation installation services (and its segments for non-residential customers and large projects) in a region in Norway (i.e., Oslo); and,
- g. The provision of water and sanitation maintenance services in regions of Sweden (i.e., Blekinge län (overall and its segment for non-residential customers), Uppsala län (overall and its segments for residential and non-residential customers), Västerbottens län (overall and its segment for residential customers)) and Norway (i.e., Oslo (overall and its segment for non-residential customers) and Østfold regions (overall and its segment for residential customers)).

(36) For completeness, the Transaction does not give rise to either horizontally affected markets at national level (where the Parties' combined share in all horizontally overlapping segments remain below 15% in Sweden and below 10% in Norway)³⁰ or along other plausible market segmentations (such as e.g., when segmenting by size of the project for some of the segments above) or any vertically affected markets.

(37) The effect of the Transaction in each of the horizontally affected markets will be examined in Sections 5.2.2 – (127) below.

5.2.2. *Electrical engineering maintenance services in Swedish regions*

5.2.2.1. Introduction

(38) In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of the potential elimination of competitive constraints between the Parties in the market for the provision of electrical engineering maintenance services in Hallands län and Västmanlands län of Sweden.

(39) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the above-mentioned markets.

³⁰ Form CO, paragraph 236.

5.2.2.2. Market shares³¹

- (40) **Table 1** below provides an overview of the market shares of the Parties and some of their competitors in the provision of electrical engineering maintenance services in Hallands län between 2020-2022 respectively. **Table 2** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of electrical engineering maintenance services for non-residential customers in Hallands län where the Parties' share increment was only [0-5]% in 2022.

Table 1:

Operator	Electrical engineering maintenance services in Hallands län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%
Bravida	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Sparc Group	n/a	5-10%	n/a	5-10%	n/a	5-10%
Instalco	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	50-70%	n/a	50-70%	n/a	45-60%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 2:

Operator	Electrical engineering maintenance services for non-residential customers in Hallands län	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[20-30]%
Caverion	[...]	[0-5]%
<i>Combined</i>	[...]	[20-30]%
Bravida	n/a	[10-20]%
Sparc Group	n/a	5-10%

³¹ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

Operator	Electrical engineering maintenance services for non-residential customers in Hallands län	
	EUR Million (2022)	Market Share (2022)
Instalco	n/a	0-5%
Others	n/a	45-60%
Total	[...]	100%

Source: Form CO

- (41) **Table 3** below provides an overview of the market shares of the Parties and some of their competitors in the provision of electrical engineering maintenance services in Västmanlands län between 2020-2022 respectively. **Table 4** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of electrical engineering maintenance services for non-residential customers in Västmanlands län in 2022.

Table 3:

Operator	Electrical engineering maintenance services in Västmanlands län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[20-30]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Instalco	n/a	5-10%	n/a	5-10%	n/a	5-10%
Skäret Aktiebolag	n/a	5-10%	n/a	5-10%	n/a	5-10%
RoosGruppen AB	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	45-60%	n/a	55-70%	n/a	40-70%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 4:

Operator	Electrical engineering maintenance services for non-residential customers in Västmanlands län	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[20-30]%

Operator	Electrical engineering maintenance services for non-residential customers in Västmanlands län		
	EUR Million (2022)	Market (2022)	Share
Caverion	[...]		[0-5]%
Combined	[...]		[20-30]%
Instalco	n/a		5-10%
Skäret Aktiebolag	n/a		5-10%
RoosGruppen AB	n/a		0-5%
Others	n/a		45-60%
Total	[...]		100%

Source: Form CO

5.2.2.3. Notifying Party's views

- (42) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of electrical engineering maintenance services (and its segment for non-residential customers) in either Hallands län, or Västmanlands län because the Parties' combined market shares are moderate, and the increment brought by the Transaction is *de minimis* under all plausible product and geographic markets.³²
- (43) The Notifying Party further argues that the Parties are not close competitors in those regions of Sweden in the provision of electrical engineering maintenance services (and its segment for non-residential customers). In particular, the Notifying Party explains that contracts are typically procured through a tender process.³³ In this context, the Notifying Party submits that Triton (through its portfolio company Assemblin) competed for only [...] of the ten largest projects that were awarded to Caverion in the market for engineering maintenance services in both Hallands län and Västmanlands län in 2022.³⁴
- (44) Finally, the Notifying Party explains that Hallands län is a very small county, which can be easily accessible from larger neighbour counties such as Västra Götalands, Jönköpings and Skåne län.³⁵ Likewise, Västmanlands län is a small area situated in a greater region which is densely populated and thus, the competitive

³² Form CO, paragraph 395 and ff and 402 and ff.

³³ Form CO, paragraph 473.

³⁴ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraphs 67-68 and 72-73 of second tranche submitted on 23 June 2023; Form CO, paragraph 399.

³⁵ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 71 of second tranche submitted on 23 June 2023; Form CO, paragraph 405.

dynamics within Västmanlands län are significantly affected by competition from neighbouring regions, including Stockholm and Uppsala.³⁶

5.2.2.4. Commission's assessment

- (45) The results of the Commission's market investigation, as well as the information in the file confirm the Notifying Party's view as detailed in section 5.2.2.3, for the reasons listed below.
- (46) First, the Parties' combined market share is moderate and not indicative of market power. In particular, the Parties' combined market share in Hallands län is ~[10-20]-[20-30]% in the overall market (between 2020-2022), and [20-30]% in the market for non-residential customers in 2022. Similarly, in Västmanlands län the Parties' combined market share is ~[20-30]% in the overall market (between 2020-2022), and [20-30]% in the market for non-residential customers in 2022.
- (47) Second, the increment brought by the Transaction is small, between ~[0-5]% in all the plausible product and geographic market segments.
- (48) Third, post-Transaction the Parties will compete with and face significant competitive pressure from a number of other competitors that have a higher or similar market share in the overall market compared to the market share of the Target, and that are active either at national level (i.e., the larger players) and capable of moving resources across regions or at local level (i.e., smaller players). For example the Parties will post-Transaction compete with: (i) in Hallands län, Bravida (estimated share [10-20]%), Sparc Group (estimated share [5-10]%), and others such as Currentum, Elajo Invest Aktiebolag, Instalco and Granitor Electro (all [0-5]%) etc.;³⁷ and, (ii) in Västmanlands län Instalco and Skäret Aktiebolag (estimated share for both exceeding [5-10]%) and RoosGruppen AB, Lorenz Invest (estimated share for both above [0-5]%).³⁸ In this context, according to the Parties' submissions, their competitors' market shares do not materially deviate when the market for electrical engineering maintenance services is segmented by type of customer (where the Transaction gives rise to affected markets), as demonstrated in Tables 2 and 4 above.³⁹
- (49) The fact that the Parties will continue to face competition post-Transaction by a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents. For example, an internal document prepared by Triton, suggests that the markets in both Sweden and Norway are '*fragmented (...) with small and mid-sized players making up [the] majority of the market*'. More specifically, according to the internal document, [50-60]% of the overall Swedish market is held by small and local players, whereas only [30-40]% of the market is held by large national players⁴⁰ (which another

³⁶ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 74 of second tranche submitted on 23 June 2023; Form CO, paragraph 397.

³⁷ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 66 of second tranche submitted on 23 June 2023; Form CO, paragraph 403.

³⁸ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 71 of second tranche submitted on 23 June 2023; Form CO, paragraph 397.

³⁹ Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6).

⁴⁰ Annex 9_5.4(ii)_02 to the Form CO, page 73.

internal document identifies as e.g., the Parties, Bravida and Instalco).⁴¹ Another internal document, prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Sweden (*'national reach'*), are perceived by customers as superior in terms of quality and reliability, and are *'less aggressive on pricing'*, however, it highlights that mid-size and local / small players have a strong regional presence and maintain their relationships and reputation with customers and therefore are a strong competitive force at the local level across different market segments.⁴²

- (50) Fourth, the fact that Triton (through Assemblin) submitted a competing bid for only [...] of the largest engineering services maintenance projects awarded to Caverion in 2022, both in Hallands län and in Västmanlands län, suggests that the Parties do not compete closely at least for large projects in those markets (and their relevant segments, where the Transaction gives rise to affected markets). Furthermore, in response to the Commission's market investigation, respondents confirmed that Assemblin's closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services across different market segments.⁴³
- (51) Fifth, respondents to the Commission's market investigation confirmed that barriers to entry in the market for electrical engineering maintenance services in Swedish regions are low, which explains the fact that the market is very fragmented.⁴⁴
- (52) Sixth, none of the market participants and competitors that participated in the Commission's market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.2.5. Conclusion

- (53) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the market for electrical engineering maintenance services (and its possible segmentation for non-residential customers) in Hallands län and Västmanlands län.

5.2.3. *Ventilation engineering installation and maintenance services in Swedish regions*

5.2.3.1. Introduction

- (54) In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of the potential elimination of competitive constraints between the Parties in the market for the provision of ventilation engineering installation and maintenance services in Norrbottens län and Västmanlands län of Sweden.

⁴¹ Annex 9_5.4(ii)_01 to the Form CO, page 101.

⁴² Annex 9_5.4(ii)_02 to the Form CO, page 97.

⁴³ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

⁴⁴ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

- (55) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the above-mentioned markets.

5.2.3.2. Market Shares⁴⁵

- (56) **Table 5** below provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation and maintenance services in Norrbottens län between 2020-2022 respectively. **Table 6** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation and maintenance services for non-residential customers in Norrbottens län in 2022.

Table 5:

Operator	Ventilation engineering installation and maintenance services in Norrbottens län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[0-5]%	[...]	[0-5]%	[...]	[5-10]%
Caverion	[...]	[0-5]%	[...]	[5-10]%	[...]	[10-20]%
<i>Combined</i>	[...]	[5-10]%	[...]	[10-20]%	[...]	[20-30]%
Bravida	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
GK	n/a	5-10%	n/a	5-10%	n/a	5-10%
BF Västra AB	n/a	5-10%	n/a	5-10%	n/a	5-10%
Others	n/a	55-70%	n/a	50-70%	n/a	45-60%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 6:

Operator	Ventilation engineering installation and maintenance services for non-residential customers in Norrbottens län	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[5-10]%
Caverion	[...]	[10-20]%
<i>Combined</i>	[...]	[20-30]%

⁴⁵ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

Operator	Ventilation engineering installation and maintenance services for non-residential customers in Norrbottens län	
	EUR Million (2022)	Market Share (2022)
Bravida	n/a	[10-20]%
GK	n/a	5-10%
BF Västra AB	n/a	5-10%
Others	n/a	40-60%
Total	[...]	100%

Source: Form CO

- (57) **Table 7** below provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation and maintenance services in Västmanlands län between 2020-2022 respectively. **Table 8** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation and maintenance services for residential and non-residential customers in Västmanlands län in 2022.

Table 7:

Operator	Ventilation engineering installation and maintenance services in Västmanlands län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[20-30]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
<i>Combined</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>
Francks Kylindustri Group	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Luftslussen AB	n/a	5-10%	n/a	5-10%	n/a	5-10%
Instalco	n/a	5-10%	n/a	5-10%	n/a	5-10%
<i>Others</i>	n/a	35-50%	n/a	40-55%	n/a	45-60%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 8:

Operator	Ventilation engineering installation and maintenance services by type of customer in Västmanlands län			
	Residential		Non-Residential	
	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[20-30]%	[...]	[10-20]%
Caverion	[...]	[0-5]%	[...]	[5-10]%
<i>Combined</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>
Francks Kylindustri Group	n/a	[10-20]%	n/a	[10-20]%
Luftslussen AB	n/a	5-10%	n/a	5-10%
Instalco	n/a	5-10%	n/a	5-10%
Total	[...]	100%	[...]	100%

Source: Form CO

5.2.3.3. Notifying Party's views

- (58) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of ventilation engineering installation and maintenance services (and their possible segments per type of customer where the Transaction gives rise to affected markets) in either Norrbottens län, or Västmanlands län due to the fact that, the Parties combined market shares and the increment brought by the Transaction are moderate.⁴⁶
- (59) The Notifying Party further argues that the Parties are not close competitors in those regions of Sweden in the provision of ventilation engineering installation and maintenance services (and their possible segments, where the Transaction gives rise to affected markets). In particular, the Notifying Party explains that contracts are typically procured through a tender process.⁴⁷ In this context, the Notifying Party submits that (i) in Norrbottens län, Triton (through Assemblin) did not compete for [...] projects that were awarded to Caverion in 2022;⁴⁸ and, (ii) in Västmanlands län, Triton (through Assemblin) did not compete for [...] projects that were awarded to Caverion in 2022 and that likewise, Caverion did not compete

⁴⁶ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraphs 35-36 and 46-47 of second tranche submitted on 23 June 2023; and, Form CO, paragraphs 351-352, and 374-375.

⁴⁷ Form CO, paragraph 473.

⁴⁸ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 43 of second tranche submitted on 23 June 2023; Form CO, paragraph 354.

for the [...] high-value projects included in Assemblin's sample of high-value projects in 2021-2023.⁴⁹

- (60) Finally, the Notifying Party explains that Västmanlands län is a small area situated in a greater region which is densely populated and thus, the competitive dynamics within Västmanlands län are significantly affected by competition from neighbouring regions, including Stockholm and Uppsala.⁵⁰

5.2.3.4. Commission's assessment

- (61) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's view as detailed above in section 5.2.3.3, for the reasons listed below.
- (62) First, the Parties' combined market share is moderate and not indicative of market power. In particular, the Parties' combined market share in Norrbottens län was ~[5-10]-[20-30]% in the overall market (between 2020-2022), and [20-30]% in the market for non-residential customers in 2022. Similarly, in Västmanlands län the Parties' combined market share was ~[20-30]% in the overall market (between 2020-2022) and [20-30]% in the market for residential customers and [20-30]% in the market for non-residential customers in 2022.
- (63) Second, the increment brought by the Transaction is minimal to small in some affected segments and moderate in some, and ranges between ~[0-5]-[5-10]% in all the plausible product and geographic markets.
- (64) Third, post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other competitors with a significant presence in ventilation engineering installation and maintenance services, including: (i) in Norrbottens län, Bravida (estimated market share [10-20]%), GK (estimated market share [5-10]%), and others such as BF Västra AB (estimated market share [5-10]%)⁵¹ and, (ii) in Västmanlands län Francks Kylindustri Group (estimated market share [10-20]%), Luftslussen AB and Rödje Ventilation AB (estimated market share [5-10]%% each), Instalco (estimated market share [5-10]%) and Vattenfall AB (estimated market share [5-10]%)⁵². Furthermore, according to the Parties' submissions, their competitors' market shares do not materially deviate when the market for ventilation engineering installation and maintenance services is segmented by type of customer (where the Transaction gives rise to affected markets), as demonstrated in Tables 6 and 8 above.⁵³

⁴⁹ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 50 of second tranche submitted on 23 June 2023; Form CO, paragraph 378.

⁵⁰ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 74 of second tranche submitted on 23 June 2023; Form CO, paragraph 397.

⁵¹ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 37 of second tranche submitted on 23 June 2023; Form CO, paragraph 353.

⁵² Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 48 of second tranche submitted on 23 June 2023; Form CO, paragraph 378.

⁵³ Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6).

- (65) The fact that the Parties will continue to face competition post-Transaction from a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents. For example, an internal document prepared by Triton, suggests that the markets in both Sweden and Norway are '*fragmented (...) with small and mid-sized players making up [the] majority of the market*'. More specifically, according to that internal document, [50-60]% of the overall Swedish market is held by small and local players, whereas only [30-40]% of the market is held by large national players⁵⁴ (which another internal document identifies as e.g., the Parties, Bravida and Instalco).⁵⁵ Another internal document prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Sweden ('*national reach*'), are perceived by customers as superior in terms of quality and reliability, and are '*less aggressive on pricing*', however, it highlights that mid-size and local / small players have a strong regional presence, and maintain their relationships and reputation with customers and therefore are a strong competitive force at local level.⁵⁶
- (66) Fourth, the fact that Triton (through Assemblin) and Caverion did not compete with one another during the tender procedures that awarded each Party's [...] ventilation engineering installation and maintenance projects (for Caverion based on 2022 data and for Assemblin based on 2021-2023 data), both in Norrbottens län and Västmanlands län, suggests that the Parties are not competing closely with one another in those markets (and their relevant segments, where the Transaction gives rise to affected markets). Furthermore, in response to the Commission's market investigation, respondents confirmed that Assemblin's closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services across different market segments.⁵⁷
- (67) Fifth, respondents to the Commission's market investigation confirmed that barriers to entry in the market for ventilation engineering services in local Swedish regions are low across different potential market segments, which explains the fact that the market is very fragmented.⁵⁸
- (68) Sixth, none of the market participants and competitors that participated in the Commission's market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.3.5. Conclusion

- (69) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the market for (i) ventilation engineering installation and maintenance services (and its possible segmentation for non-residential customers) in Norrbottens län and (ii) ventilation engineering installation and

⁵⁴ Annex 9_5.4(ii)_02 to the Form CO, page 73.

⁵⁵ Annex 9_5.4(ii)_01 to the Form CO, page 101.

⁵⁶ Annex 9_5.4(ii)_02 to the Form CO, page 97.

⁵⁷ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

⁵⁸ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

maintenance services (and its possible segmentations for residential and non-residential customers) in Västmanlands län.

5.2.4. Ventilation engineering installation services in Swedish local regions

5.2.4.1. Introduction

In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of the potential elimination of competitive constraints between the Parties in the market for the provision of ventilation engineering installation services in Norrbottens län and Västmanlands län of Sweden.

- (70) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the above-mentioned markets.

5.2.4.2. Market Shares⁵⁹

- (71) **Table 9** below provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation services in Norrbottens län between 2020-2022 respectively. **Table 10** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation services for (i) residential, (ii) non-residential and (iii) large projects in Norrbottens län in 2022.

Table 9:

Operator	Ventilation engineering installation services in Norrbottens län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Caverion	[...]	[0-5]%	[...]	[5-10]%	[...]	[20-30]%
<i>Combined</i>	[...]	<i>[5-10]%</i>	[...]	<i>[10-20]%</i>	[...]	<i>[20-30]%</i>
Bravida	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
GK	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
BF Västra AB	n/a	5-10%	n/a	5-10%	n/a	5-10%
Others	n/a	50-65%	n/a	45-60%	n/a	30-45%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

⁵⁹ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

Table 10:

Operator	Ventilation engineering installation services in Norrbottens län by type of customer and size of project					
	Residential		Non-residential		Large projects	
	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Caverion	[...]	[20-30]%	[...]	[20-30]%	[...]	[30-40]%
<i>Combined</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>	[...]	<i>[40-50]%</i>
Bravida	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
GK	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
BF Västra AB	n/a	5-10%	n/a	5-10%	n/a	5-10%
Others	n/a	25-40%	n/a	25-40%	n/a	20-30%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

- (72) **Table 11** below provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation services in Västmanlands län between 2020-2022 respectively. **Table 12** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering installation services (i) residential, (ii) non-residential and (iii) small projects in Västmanlands län in 2022.

Table 11:

Operator	Ventilation engineering installation services in Västmanlands län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%	[...]	[20-30]%	[...]	[20-30]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	<i>[30-40]%</i>	[...]	<i>[30-40]%</i>	[...]	<i>[20-30]%</i>
Francks Kylindustri Group	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Luftslussen AB	n/a	5-10%	n/a	5-10%	n/a	5-10%
Instalco	n/a	5-10%	n/a	5-10%	n/a	5-10%

Operator	Ventilation engineering installation services in Västmanlands län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%	[...]	[20-30]%	[...]	[20-30]%
Others	n/a	25-40%	n/a	30-50%	n/a	40-60%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 12:

Operator	Ventilation engineering installation services in Västmanlands län by type of customer and size of project					
	Residential		Non-residential		Small projects	
	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[5-10]%
<i>Combined</i>	[...]	<i>[30-40]%</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>
Francks Kylindustri Group	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Luftslussen AB	n/a	5-10%	n/a	5-10%	n/a	5-10%
Instalco	n/a	5-10%	n/a	5-10%	n/a	5-10%
Others	n/a	30-45%	n/a	40-55%	n/a	40-55%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

5.2.4.3. Notifying Party's views

- (73) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of ventilation engineering installation services either in the overall market or its possible segments where the Transaction gives rise to affected markets, in either Norrbottens län, or Västmanlands län because the Parties' combined market shares and the increment brought by the Transaction are moderate.⁶⁰
- (74) With respect to Caverion's significant increase of market share on a possible segment for large projects in in the market for ventilation engineering installation services in 2022 in Norrbottens län, the Notifying Party submits that it is not

⁶⁰ Form CO, paragraphs 356-357, 361, 380-382 and 386.

representative of Caverion's actual market position in the longer run, as it is the result of [...] projects undertaken by Caverion in 2022.⁶¹ The [...] projects that Caverion was awarded in this region, and that are responsible for its market share in 2022 are the following:

a. [...];

b. [...].⁶²

(75) Moreover, the Notifying Party submits that the above-mentioned projects accounted for [...] of Caverion's total revenue in 2022 in the market for ventilation engineering installation services for large projects in Norrbottens län, suggesting that Caverion's other sales in this specific market in 2022 [...].⁶³ In addition, the Notifying Party specifies that Caverion's new ventilation projects in Norrbottens län [...] (and therefore will most likely fall into a different market segment), [...].⁶⁴ Furthermore, according to the Notifying Party, the Parties' combined market share in the market for ventilation engineering installation services for large projects in Norrbottens län was significantly lower in previous years: [20-30]% in 2021 (Caverion [10-20]% and Assemblin [5-10]%) and [5-10]% in 2020 [...].⁶⁵

(76) The Notifying Party further argues that the Parties are not close competitors in those regions of Sweden in the provision of ventilation engineering installation services (and their possible segments, where the Transaction gives rise to affected markets). In particular, the Notifying Party explains that contracts are typically procured through a tender process.⁶⁶ In this context, the Notifying Party submits that (i) in Norrbottens län, Triton (through Assemblin) did not compete for [...] projects that were awarded to Caverion in 2022 in relation to ventilation engineering installation services;⁶⁷ and, (ii) in Västmanlands län, Triton (through Assemblin) did not compete for any of Caverion's [...] projects in 2022. Likewise, Caverion did not compete for [...] projects included in Assemblin's biggest projects in 2021-2023.⁶⁸ Additionally, the Notifying Party confirms that Assemblin, according to its tendering policy, does not have any plans to participate in [...] in relation to the market for ventilation engineering installation services for large projects in Norrbottens län.⁶⁹

⁶¹ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 40 of second tranche submitted on 23 June 2023; Form CO, paragraph 362.

⁶² Supplementary submission of the Notifying Party to the Draft Form CO, submitted on 14 July 2023, page 2, paragraph 3; Form CO, paragraph 262 and ff.

⁶³ Supplementary submission of the Notifying Party to the Draft Form CO, submitted on 14 July 2023, page 2, paragraph 4; Form CO, paragraph 262 and ff.

⁶⁴ Supplementary submission of the Notifying Party to the Draft Form CO, submitted on 14 July 2023, page 2, paragraph 5; Form CO, paragraph 262 and ff.

⁶⁵ Supplementary submission of the Notifying Party to the Draft Form CO, submitted on 14 July 2023, page 2, paragraph 2 and Table 1; Form CO, Table 16 and paragraph 262 and ff.

⁶⁶ Form CO, paragraph 473.

⁶⁷ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 43 of second tranche submitted on 23 June 2023; Form CO, paragraph 359.

⁶⁸ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 56 of second tranche submitted on 23 June 2023; Form CO, paragraph 385.

⁶⁹ Supplementary submission of the Notifying Party to the Draft Form CO, submitted on 14 July 2023, page 2, paragraph 6.

(77) Finally, the Notifying Party explains that Västmanlands län is a small area situated in a greater region which is densely populated and thus, the competitive dynamics within Västmanlands län are significantly affected by competition from neighbouring regions, including Stockholm and Uppsala.⁷⁰

5.2.4.4. Commission's assessment

(78) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's views as detailed in section 5.2.4.3, for the reasons listed below.

(79) First, the Parties' combined market shares are moderate and not indicative of market power (possibly with the exception of the market for the provision of large ventilation engineering projects for non-residential customers in Norrbottens län, where the Parties' combined market share in 2022 exceeded [40-50]%). In particular, the Parties' combined market share in Norrbottens län is ~[5-10]-[20-30]% for the overall market (between 2020-2022), and [20-30]% in both the markets for residential and non-residential customers in 2022, whereas in Västmanlands län ~[20-30]-[30-40]% in the overall market (between 2020-2022), [30-40]% in the market for residential customers and [20-30]% in both the markets for non-residential customers and small projects in 2022.

(80) Regarding the market for the provision of large ventilation engineering projects for non-residential customers in Norrbottens län, the Parties' combined market share was [40-50]% in 2022, suggesting that the Parties could be very strong or – depending on an analysis of additional factors – possibly dominant in this market post-Transaction.

(81) However, the Parties' 2022 combined market share is not indicative of the combined entity's market power post-Transaction, for the following reasons. *In the first place*, Caverion's high market share ([30-40]%) is the result of only [...] projects undertaken by the latter and which will end in [...] and [...] respectively. This is also supported by the fact that, according to the Parties' estimates, their combined market shares in 2020 and 2021 were significantly lower (namely [5-10]% and [20-30]% respectively). *In the second place*, [...] (which belong in a distinct plausible product market segment) whereas Assemblin [...].⁷¹ In this context, none of the market participants raised concerns. To the contrary, a large, sophisticated customer of Caverion's in Norrbottens län that participated in the Commission's market investigation, it considered that the Transaction would result in beneficial effects.⁷²

(82) Finally, the Parties' internal documents point to differences between Assemblin's and Caverion's expertise. An internal document prepared by independent consultants for Triton, suggests that Caverion's expertise is on '*larger projects*' that are operated in a '*centralised*' manner (i.e., at national level), in comparison to

⁷⁰ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 74 of second tranche submitted on 23 June 2023; Form CO, paragraph 397.

⁷¹ Supplementary submission to the Form Co, submitted on 14 July 2023.

⁷² Email exchange between the Commission and a customer of Caverion dated 15 July 2023.

Assemblin whose expertise and knowledge focuses on ‘how to run smaller projects efficiently’, and operates in a ‘*decentralised*’ manner (i.e., at local level).⁷³

- (83) Second post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other competitors, including: (i) in Norrbottens län, Bravida and GK (estimated market share [10-20]% each), and others such as BF Västra AB (estimated market share 5-10%);⁷⁴ and, (ii) in Västmanlands län Francks Kylindustri Group (estimated market share [10-20]%), and other smaller players, such as Luftslussen AB, Rödje Ventilation AB, Instalco and Vattenfall AB (estimated market share 5-10% each).⁷⁵ Furthermore, according to the Parties’ submissions, their competitors’ market shares do not materially deviate when the market for ventilation engineering installation and maintenance services is segmented by type of customer and project size (where the Transaction gives rise to affected markets), as demonstrated in Tables 10 and 12 above.⁷⁶
- (84) Third the fact that Triton (through Assemblin) and Caverion did not compete with one another during the tender procedures that awarded each Party’s [...] ventilation engineering installation (for Caverion based on 2022 data and for Assemblin based on 2021-2023 data), both in Norrbottens län and Västmanlands län, suggests that the Parties are not competing closely with one another in those markets (and their relevant segments, where the Transaction gives rise to affected markets). Furthermore, in response to the Commission’s market investigation, respondents confirmed that Assemblin’s closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services across different market segments.⁷⁷
- (85) Fourth, respondents to the Commission’s market investigation confirmed that barriers to entry in the market for ventilation engineering services in local Swedish regions are low, which explains the fact that the market is very fragmented.⁷⁸
- (86) Fifth, none of the market participants and competitors that participated in the Commission’s market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.4.5. Conclusion

- (87) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the market for (i) ventilation engineering installation services (and its possible segmentations for residential customers, non-residential customers and large projects) in Norrbottens län and (ii) ventilation engineering

⁷³ Annex 9_5.4(ii)_01 to the Form Co, page 189.

⁷⁴ Response of the Notifying Party to a Commission’s pre-notification request for information (QP6), question 9, paragraph 41 of second tranche submitted on 23 June 2023; Form CO, paragraph 358.

⁷⁵ Response of the Notifying Party to a Commission’s pre-notification request for information (QP6), question 9, paragraph 54 of second tranche submitted on 23 June 2023; Form CO, paragraph 383.

⁷⁶ Annex 1 to question 7 of the Notifying Party’s response to a Commission’s pre-notification request for information (QP6).

⁷⁷ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

⁷⁸ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

installation services (and its possible segmentations for residential customers, non-residential customers and small projects) in Västmanlands län.

5.2.5. Ventilation engineering maintenance services in Swedish regions

5.2.5.1. Introduction

In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of the potential elimination of competitive constraints between the Parties in the market for the provision of ventilation engineering maintenance services in Östergötlands län of Sweden.

- (88) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the above-mentioned market.

5.2.5.2. Market Shares⁷⁹

- (89) **Table 13** below provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering maintenance services in Östergötlands län between 2020-2022. **Table 14** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of ventilation engineering maintenance services to non-residential customers in 2022.

Table 13:

Operator	Ventilation engineering maintenance services in Östergötlands län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[5-10]%
<i>Combined</i>	[...]	<i>[20-30]%</i>	[...]	<i>[10-20]%</i>	[...]	<i>[20-30]%</i>
Francks Kyllindustri Group	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Currentum	n/a	5-10%	n/a	5-10%	n/a	5-10%
Instalco	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	45-60%	n/a	55-75%	n/a	60-65%
Total	[...]	100%	[...]	100%	[...]	100%

⁷⁹ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

Source: Form CO

Table 14:

Operator	Ventilation engineering maintenance services for non-residential customers in Östergötlands län	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%
Caverion	[...]	[5-10]%
Combined	[...]	[20-30]%
Francks Kyindustri Group	n/a	[10-20]%
Instalco	n/a	5-10%
Currentum	n/a	5-10%
Others	n/a	40-65%
Total	[...]	100%

Source: Form CO

5.2.5.3. Notifying Party's views

- (90) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of ventilation engineering maintenance services either in the overall market or its possible segment for non-residential customers in Östergötlands län because the Parties' combined market shares and the increment brought by the Transaction are moderate.⁸⁰
- (91) The Notifying Party further argues that the Parties are not close competitors in Östergötlands län in the provision of ventilation engineering maintenance services (and its possible segment to non-residential customers). In particular, the Notifying Party explains that contracts are typically procured through a tender process.⁸¹ In this context, the Notifying Party submits that Triton (through Assemblin) did not compete [...] Caverion's [...] projects in relation to ventilation engineering maintenance services in Östergötlands län in 2022.⁸²

5.2.5.4. Commission's Assessment

- (92) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's view as detailed in section 5.2.5.3 above, for the reasons listed below.

⁸⁰ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 58 of second tranche submitted on 23 June 2023; and, Form CO, paragraphs 387-388.

⁸¹ Form CO, paragraph 473.

⁸² Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 61 of second tranche submitted on 23 June 2023; Form CO, paragraph 391.

- (93) First, the Parties' combined market share is moderate and not indicative of market power. In particular, the Parties' combined market share in the overall market is ~[10-20]-[20-30]% (between 2020-2022), and [20-30]% in the market for non-residential customers in 2022. Moreover, the increment brought by the Transaction ranged between ~[0-5]-[5-10]% in the market for ventilation engineering maintenance services and amounted to [5-10]% in its segment for non-residential customers in 2022.
- (94) Second, post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other competitors with a significant presence in the market for ventilation engineering maintenance services, including Francks Kylindustri Group (estimated market share of [10-20]%), Currentum (estimated market share of [5-10]%), as well as among others, Bravida, GK, Instalco, Proair Sverige AB, and LSL Holding AB (estimated market share 0-5% each).⁸³ Furthermore, according to the Parties' submissions, their competitors' market shares do not materially deviate when the market for ventilation engineering maintenance services is segmented to non-residential customers, as demonstrated in Table 14 above.⁸⁴
- (95) The fact that the Parties will continue to face competition post-Transaction by a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents. For example, an internal document prepared by Triton, suggests that the markets in both Sweden and Norway are '*fragmented (...) with small and mid-sized players making up [the] majority of the market*'. More specifically, according to that internal document, [50-60]% of the overall Swedish market is held by small and local players, whereas only [30-40]% of the market is held by large national players⁸⁵ (which another internal document identifies as e.g., the Parties, Bravida and Instalco).⁸⁶ Another internal document prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Sweden ('*national reach*'), are perceived by customers as superior in terms of quality and reliability, and are '*less aggressive on pricing*', however, it highlights that mid-size and local / small players have a strong regional presence, and maintain their relationships and reputation with customers and therefore are a strong competitive force at local level across different market segments.⁸⁷
- (96) Third, the fact that Triton (through Assemblin) did not compete for Caverion's [...] largest projects in the overall market in 2022, suggests that the Parties are not competing closely with one another in those markets (and its relevant segment for non-residential customers) at least for large projects. Furthermore, in response to the Commission's market investigation, respondents confirmed that Assemblin's

⁸³ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 59 of second tranche submitted on 23 June 2023; and Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6); Form CO, paragraph 389.

⁸⁴ Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6); Form CO, paragraph 392.

⁸⁵ Annex 9_5.4(ii)_02 to the Form CO, page 73.

⁸⁶ Annex 9_5.4(ii)_01 to the Form CO, page 101.

⁸⁷ Annex 9_5.4(ii)_02 to the Form CO, page 97.

closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services.⁸⁸

- (97) Fourth, respondents to the Commission's market investigation confirmed that barriers to entry in the market for the provision of ventilation engineering services in local Swedish regions are low, which explains the fact that the market is very fragmented.⁸⁹
- (98) Fifth, none of the market participants and competitors that participated in the Commission's market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.5.5. Conclusion

- (99) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the market for ventilation engineering maintenance services (and its possible segmentation for non-residential customers) in Östergötlands län.

5.2.6. *Water and sanitation installation and maintenance services in Norwegian regions*

5.2.6.1. Introduction

- (100) In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of the potential elimination of competitive constraints between the Parties in the market for the provision of water and sanitation installation and maintenance services in the Norwegian region of Oslo.
- (101) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the above-mentioned market or any plausible segments thereof.

5.2.6.2. Market Shares⁹⁰

- (102) **Table 15** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation installation and maintenance services in Oslo between 2020-2022 respectively. **Table 16** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation installation and maintenance services for non-residential customers in Oslo in 2022.

⁸⁸ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

⁸⁹ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

⁹⁰ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

Table 15:

Operator	Water and sanitation installation and maintenance services in Oslo					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%
Bravida	n/a	[10-20]-[20-30]%	n/a	[10-20]-[20-30] %	n/a	[10-20]-[20-30] %
GK	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Instalco	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	45-60%	n/a	40-60%	n/a	40-55%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 16:

Operator	Water and Sanitation installation and maintenance services for non-residential customers in Oslo	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%
Caverion	[...]	[5-10]%
<i>Combined</i>	[...]	[20-30]%
Bravida	n/a	[10-20]-[20-30] %
GK	n/a	[10-20]%
Instalco	n/a	0-5%
Others	n/a	30-45%
Total	[...]	100%

Source: Form CO

5.2.6.3. Notifying Party's views

- (103) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of water and sanitation installation and maintenance services either in the overall market or its possible segment for

non-residential customers in Oslo due to the fact that the Parties combined market shares and the increment brought by the Transaction are moderate.⁹¹

- (104) The Notifying Party further argues that the Parties are not close competitors in the provision of water and sanitation installation and maintenance services either in the overall market or its possible segment for non-residential customers in Oslo. In particular, the Notifying Party explains that contracts are typically procured through a tender process.⁹² In this context, the Notifying Party submits that Caverion was not awarded [...] projects between 2021 and 2023 in relation to this product market in Oslo, nor did it compete for [...] projects of Assemblin for the period between 2021 and 2023 in the water and sanitation installation and maintenance market in Oslo.⁹³

5.2.6.4. Commission's Assessment

- (105) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's view as detailed in section 5.2.6.3 above, for the reasons listed below.
- (106) First, the Parties' combined market share is moderate and not indicative of market power. In particular, the Parties' combined market share in the market for water and sanitation installation and maintenance services in Oslo was ~[10-20]-[20-30]% between 2020-2022, and [20-30]% in the possible market segment for non-residential customers in 2022.
- (107) Second, the increment brought by the Transaction is moderate, and ranges between ~[0-5]-[5-10] in both the overall market and its segment for non-residential customers.
- (108) Third, post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other competitors with a significant presence in the market, including Bravida (market share estimate [10-20]%), GK (market share estimate [10-20]%), as well as other smaller competitors, including HR Rør Holding AS, Instalco, Thoresen Invest AS, CRB Holding AG and VVS Norge AS (market share estimate [0-5]% each).⁹⁴ Furthermore, according to the Parties' submissions, their competitors' market shares do not materially deviate when the market for ventilation engineering maintenance services is segmented to non-residential customers, as demonstrated in Table 16 above.⁹⁵
- (109) The fact that the Parties will continue to face competition post-Transaction by a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents For example, an

⁹¹ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 93 of second tranche submitted on 23 June 2023; and, Form CO, paragraph 430.

⁹² Form CO, paragraph 473.

⁹³ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 96 of second tranche submitted on 23 June 2023; Form CO, paragraph 433.

⁹⁴ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 94; form CO, paragraph 431.

⁹⁵ Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6); Form CO, paragraph 431.

internal document prepared by Triton, suggests that the markets in both Sweden and Norway are ‘*fragmented (...) with small and mid-sized players making up [the] majority of the market*’. More specifically, according to that internal document, [50-60]% of the overall Norwegian market is held by small and local players, whereas only [20-30]% of the market is held by large national players⁹⁶ (which another internal document identifies as e.g., GK, Bravida and Instalco).⁹⁷ Another internal document prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Norway (‘*national reach*’), are perceived by customers as superior in terms of quality and reliability, and are ‘*less aggressive on pricing*’, however, it highlights that mid-size and local / small players have a strong regional presence, and maintain their relationships and reputation with customers and therefore are a strong competitive force at local level.⁹⁸

- (110) Fourth, the fact that Caverion did not compete for Triton’s (through Assemblin) [...] largest projects in the overall market between 2021-2023, suggests that the Parties are not competing closely with one another in those markets (and its relevant segment for non-residential customers). Furthermore, in response to the Commission’s market investigation, respondents confirmed that Assemblin’s closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services.⁹⁹
- (111) Fifth, respondents to the Commission’s market investigation confirmed that barriers to entry in the market for the provision of water and sanitation services in local Norwegian regions are low, which explains the fact that the market is very fragmented.¹⁰⁰
- (112) Sixth, none of the market participants and competitors that participated in the Commission’s market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.6.5. Conclusion

- (113) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the market for water and sanitation installation and maintenance services (and its possible segmentation for non-residential customers) in Oslo.

5.2.7. Water and sanitation installation services in Norwegian regions

5.2.7.1. Introduction

- (114) In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of

⁹⁶ Annex 9_5.4(ii)_02 to the Form CO, page 73.

⁹⁷ Annex 9_5.4(ii)_02 to the Form CO, page 101.

⁹⁸ Annex 9_5.4(ii)_02 to the Form CO, page 97.

⁹⁹ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

¹⁰⁰ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

the potential elimination of competitive constraints between the Parties in the market for the provision of water and sanitation installation services in the Norwegian region of Oslo.

- (115) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the above-mentioned market.

5.2.7.2. Market Shares¹⁰¹

- (116) **Table 17** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation installation services in Oslo between 2020-2022 respectively. **Table 18** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation installation services for non-residential customers and large projects in Oslo in 2022.

Table 17:

Operator	Water and sanitation installation services in Oslo					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[5-10]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%
Bravida	n/a	[10-20]- [20-30] %	n/a	[10-20]- [20-30] %	n/a	[10-20]- [20-30] %
GK	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Instalco	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	40-60%	n/a	40-60%	n/a	40-55%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

¹⁰¹ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

Table 18:

Operator	Water and sanitation installation services for non-residential customers in Oslo		Large water and sanitation installation projects in Oslo	
	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)
Triton (Asemblin)	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[10-20]%	[...]	[5-10]%
Combined	[...]	[20-30]%	[...]	[20-30]%
Bravida	n/a	[10-20]-[20-30] %	n/a	[20-30]%
GK	n/a	[10-20]%	n/a	[10-20]-[20-30] %
Instalco	n/a	0-5%	n/a	0-5%
Others	n/a	35-50%	n/a	20-35%
Total	[...]	100%	[...]	100%

Source: Form CO

5.2.7.3. Notifying Party's views

- (117) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of water and sanitation installation services either in the overall market or its possible segments for non-residential customers and large projects in Oslo because the Parties' combined market shares and the increment brought by the Transaction are moderate.¹⁰²
- (118) The Notifying Party further argues that the Parties are not close competitors in the provision of water and sanitation installation services either in the overall market or its possible segments for non-residential customers and for large projects in Oslo. In particular, the Notifying Party explains that contracts are typically procured through a tender process.¹⁰³ In this context, the Notifying Party submits that Asemblin did not compete [...] projects that were awarded to Caverion in the years 2021-2023 in relation to water and sanitation installation services in Oslo. Likewise, Caverion nor did it compete [...] projects of Asemblin for the period between 2021-2023 in the water and sanitation installation market in Oslo.¹⁰⁴

¹⁰² Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 97 of second tranche submitted on 23 June 2023; and, Form CO, paragraph 435 and 439.

¹⁰³ Form CO, paragraph 473.

¹⁰⁴ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 100 of second tranche submitted on 23 June 2023; Form CO, paragraph 438.

5.2.7.4. Commission's assessment

- (119) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's view, for the reasons listed below.
- (120) First, the Parties' combined market share is moderate and not indicative of market power. In particular, the Parties' combined market share in the overall market is ~[10-20]-[20-30]% (between 2020-2022), [20-30]% in the possible market segment for non-residential customers and [20-30]% in the market for large projects in Oslo in 2022.
- (121) Second, the increment brought by the Transaction is moderate, and ranges between ~[0-5]% in the overall market. The increment is slightly higher in the two possible segmentations of the overall market, for non-residential customers ([10-20]% increment) and for large projects ([5-10]% increment).
- (122) Third, post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other credible competitors, which include Bravida (market share estimate [10-20]-[20-30]% in the overall market and its segmentation for non-residential customers, and between [20-30]5% in the large projects' segment), GK (market share estimate [10-20]% in the overall market and its segmentation for non-residential customers, and between [10-20]-[20-30]% in the large projects' segment), as well as other smaller competitors, including HR Rør Holding AS, Instalco, Thoresen Invest AS, CRB Holding AG, VVS Norge AS, each of whose shares in the overall installation services and its two segments are estimated to be around [0-5]%.¹⁰⁵
- (123) The fact that the Parties will continue to face competition post-Transaction from a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents. For example, an internal document prepared by Triton, suggests that the markets in both Sweden and Norway are '*fragmented (...) with small and mid-sized players making up [the] majority of the market*'. More specifically, according to that internal document, [50-60]% of the overall Norwegian market is held by small and local players, whereas only [20-30]% of the market is held by large national players¹⁰⁶ (which another internal document identifies as e.g., GK, Bravida and Caverion).¹⁰⁷ Another internal document prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Norway ('*national reach*'), are perceived by customers are superior in terms of quality and reliability, and are '*less aggressive on pricing*', however, it highlights that mid-size and local / small players have a strong regional presence, and maintain their relationships and reputation with customers and therefore are a strong competitive force at local level.¹⁰⁸

¹⁰⁵ Response of the Notifying Party to a Commission's pre-notification request for information (QP6), question 9, paragraph 98 of second tranche submitted on 23 June 2023; and Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6); Form CO, paragraph 436.

¹⁰⁶ Annex 9_5.4(ii)_02 to the Form CO, page 73.

¹⁰⁷ Annex 9_5.4(ii)_02 to the Form CO, page 101.

¹⁰⁸ Annex 9_5.4(ii)_02 to the Form CO, page 97.

- (124) Fourth, the fact that neither Assemblin nor Caverion competed with one another [...] water and sanitation installation projects between 2021-2023 in Oslo, suggests that the Parties are not competing closely with one another in those markets (and its relevant segments for non-residential customers and large projects). Furthermore, in response to the Commission's market investigation, respondents confirmed that Assemblin's closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services.¹⁰⁹
- (125) Fifth, respondents to the Commission's market investigation confirmed that barriers to entry in the market for the provision of water and sanitation services in local Norwegian regions are low, which explains the fact that the market is very fragmented.¹¹⁰
- (126) Sixth, none of the market participants and competitors that participated in the Commission's market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.7.5. Conclusion

- (127) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the market for water and sanitation installation services (and its possible segmentations for non-residential customers and large projects) in Oslo.

5.2.8. *Water and sanitation maintenance services in Swedish and Norwegian local regions*

5.2.8.1. Introduction

- (128) In this Section, the Commission assesses whether the Transaction would give rise to serious doubts regarding its compatibility with the internal market as a result of the potential elimination of competitive constraints between the Parties in the market for the provision of water and sanitation maintenance services in Blekinge län, Uppsala län, Västerbottens län of Sweden and Oslo and Østfold of Norway.
- (129) For the reasons detailed below, the Commission finds that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlaps in the above-mentioned markets.

5.2.8.2. Market Shares¹¹¹

5.2.8.2.1. Swedish regions

- (130) **Table 19** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services

¹⁰⁹ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

¹¹⁰ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

¹¹¹ Please note that the data provided in this section may not always add up. The Notifying Party confirmed that this is a result of rounding. The variations lead to differences in the scale of 0.1 to 0.3 percentage points (Form Co, footnote 147).

in Blekinge län between 2020-2022. **Table 20** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services for non-residential customers in Blekinge län in 2022.

Table 19:

Operator	Water and sanitation maintenance services in Blekinge län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%	[...]	[20-30]%	[...]	[30-40]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	<i>[30-40]%</i>	[...]	<i>[20-30]%</i>	[...]	<i>[30-40]%</i>
Bravida	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Skytten Hjalmar AB	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Nimlas	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Others	n/a	25-40%	n/a	25-45%	n/a	25-40%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 20:

Operator	Water and sanitation maintenance services to non-residential customers in Blekinge län	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%
Caverion	[...]	[0-5]%
<i>Combined</i>	[...]	<i>[30-40]%</i>
Bravida	n/a	[10-20]%
Skytten Hjalmar AB	n/a	[10-20]%
Nimlas	n/a	[10-20]%
Others	n/a	25-40%
Total	[...]	100%

Source: Form CO

- (131) **Table 21** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services in Uppsala län between 2020-2022. **Table 22** below, provides an overview of the

market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services for segmented by type of customer to residential and non-residential customers in Uppsala län in 2022.

Table 21:

Operator	Water and sanitation maintenance services in Uppsala län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
AB Lindqvist & Larsson VVS	n/a	0-5%	n/a	0-5%	n/a	0-5%
Perihelium Group AB	n/a	0-5%	n/a	0-5%	n/a	0-5%
Högbergs Gruppen AB	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	45-65%	n/a	40-55%	n/a	55-70%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 22:

Operator	Water and sanitation maintenance services by type of customer in Uppsala län			
	Residential		Non-Residential	
	EUR Million (2022)	Market Share (2022)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[30-40]%	[...]	[30-40]%
Caverion	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[30-40]%	[...]	[30-40]%
AB Lindqvist & Larsson VVS	n/a	0-5%	n/a	0-5%
Perihelium Group AB	n/a	0-5%	n/a	0-5%
Högbergs Gruppen AB	n/a	0-5%	n/a	0-5%
Others	n/a	50-70%	n/a	50-70%
Total	[...]	100%	[...]	100%

- (132) **Table 23** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services in Västerbottens län between 2020-2022. **Table 24** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services for residential customers in Västerbottens län in 2022.

Table 23:

Operator	Water and sanitation maintenance services in Västerbottens län					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Caverion	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
<i>Combined</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>
Bravida	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Aktiebolaget Infjärdens Värme	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Bengt Johanssons Rör Aktiefbolag	n/a	5-10%	n/a	5-10%	n/a	5-10%
Others	n/a	30-45%	n/a	35-50%	n/a	35-50%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 24:

Operator	Water and sanitation maintenance services to residential customers in Västerbottens län	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%
Caverion	[...]	[10-20]%
<i>Combined</i>	[...]	<i>[20-30]%</i>
Bravida	n/a	[10-20]%
Aktiebolaget Infjärdens Värme	n/a	[10-20]%

Operator	Water and sanitation maintenance services to residential customers in Västerbottens län		
	EUR Million (2022)	Market (2022)	Share
Bengt Johanssons Rör Aktiebolag	n/a		5-10%
Others	n/a		30-45%
Total	[...]		100%

Source: Form CO

5.2.8.2.1.1. Notifying Party's views

- (133) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of water and sanitation maintenance services and its possible segments by type of customers in either of Blekinge län, Uppsala län or Västerbottens län, because the Parties' combined market shares are moderate,¹¹² and with the exception of Västerbottens län, the increment brought by the Transaction is insignificant, as Caverion's presence is negligible, and limited to (i) contracts by [...] customers in Blekinge län; and (ii) in revenues well below EUR [...] in Uppsala län between 2020-2022.¹¹³
- (134) The Notifying Party further argues that the Parties are not close competitors in the provision of water and sanitation maintenance services either in the overall market or its possible segments by type of customer in either of Blekinge län, Uppsala län or Västerbottens län. In particular, the Notifying Party explains that contracts are typically procured through a tender process.¹¹⁴ In this context, in Blekinge län in 2022, Triton (through Assemblin) did not compete for Caverion's [...] project awarded in 2022 in relation to water and sanitation maintenance services.¹¹⁵ In Uppsala län, Triton (through Assemblin) did not compete [...] projects awarded in 2022 in relation to water and sanitation maintenance services.¹¹⁶ Finally, Västerbottens län, Triton (through Assemblin) did not compete [...] projects that were awarded to Caverion in 2022 in relation to water and sanitation maintenance services.¹¹⁷

5.2.8.2.2. Norwegian regions

- (135) **Table 25** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services in Oslo between 2020-2022. **Table 26** below, provides an overview of the market

¹¹² Form CO, paragraphs 410, 415 and 421.

¹¹³ Form CO, paragraphs 411, 415.

¹¹⁴ Form CO, paragraph 473.

¹¹⁵ Form CO, paragraph 413.

¹¹⁶ Form CO, paragraph 419.

¹¹⁷ Form CO, paragraph 425.

shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services for non-residential customers in Oslo in 2022.

Table 25:

Operator	Water and sanitation maintenance services in Oslo					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Asemblin)	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%
Bravida	n/a	[10-20]-[20-30] %	n/a	[10-20]-[20-30] %	n/a	[10-20]-[20-30] %
GK	n/a	[10-20]%	n/a	[10-20]%	n/a	[10-20]%
Instalco	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	45-60%	n/a	45-60%	n/a	40-55%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 26:

Operator	Water and sanitation maintenance services to non-residential customers in Oslo	
	EUR Million (2022)	Market Share (2022)
Triton (Asemblin)	[...]	[20-30]%
Caverion	[...]	[0-5]%
<i>Combined</i>	[...]	[20-30]%
Bravida	n/a	[10-20]-[20-30] %
GK	n/a	[10-20]%
Instalco	n/a	0-5%
Others	n/a	35-50%
Total	[...]	100%

Source: Form CO

- (136) **Table 27** below provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services in Østfold between 2020-2022. **Table 28** below, provides an overview of the market shares of the Parties and some of their competitors in the provision of water and sanitation maintenance services for residential customers in Østfold in 2022.

Table 27:

Operator	Water and sanitation maintenance services in Østfold					
	EUR Million (2020)	Market Share (2020)	EUR Million (2021)	Market Share (2021)	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[10-20]%	[...]	[20-30]%	[...]	[20-30]%
Caverion	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
<i>Combined</i>	[...]	<i>[10-20]%</i>	[...]	<i>[20-30]%</i>	[...]	<i>[20-30]%</i>
Halvorsen Investering AS	n/a	5-10%	n/a	5-10%	n/a	5-10%
VVS Comfort AS	n/a	0-5%	n/a	0-5%	n/a	0-5%
Borge Rør AS	n/a	0-5%	n/a	0-5%	n/a	0-5%
Others	n/a	60-75%	n/a	60-75%	n/a	60-70%
Total	[...]	100%	[...]	100%	[...]	100%

Source: Form CO

Table 28:

Operator	Water and sanitation maintenance services to residential customers in Ostfold	
	EUR Million (2022)	Market Share (2022)
Triton (Assemblin)	[...]	[20-30]%
Caverion	[...]	[0-5]%
<i>Combined</i>	[...]	<i>[20-30]%</i>
Halvorsen Investering AS	n/a	5-10%
VVS Comfort AS	n/a	5-10%
Borge Rør AS	n/a	5-10%
Others	n/a	40-55%
Total	[...]	100%

Source: Form CO

5.2.8.2.2.1. Notifying Party's views

- (137) The Notifying Party submits that the Transaction would not give rise to competition concerns related to the provision of water and sanitation maintenance

services and its possible segments by type of customers in either of Oslo or Østfold, because the Parties' combined market shares are moderate under all plausible product market segmentations and geographic areas and the increment brought by the Transaction is very small in most of the plausible product market segmentations and geographic areas and *de minimis* in others.¹¹⁸

- (138) The Notifying Party further submits that the Parties are not close competitors in the provision of water and sanitation maintenance services either in the overall market or its possible segments by type of customer in either of Oslo or Østfold. In particular, the Notifying Party explains that contracts are typically procured through a tender process.¹¹⁹ In this context, in Oslo in 2022, Triton (through Assemblin) did not compete for Caverion's [...] awarded to it between 2021 and 2023 in relation to water and sanitation maintenance services.¹²⁰ Similarly, Caverion did not compete [...] projects of Assemblin for the period between 2021-2023 in the water and sanitation maintenance market in Oslo.¹²¹ In relation to Østfold, the Notifying Party submits that Caverion was not awarded [...] between 2021 to 2023 in the water and sanitation maintenance services market.¹²²

5.2.8.3. Commission's assessment

5.2.8.3.1. Swedish regions

- (139) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's view as detailed in section 5.2.8.2.2.1 above, for the reasons listed below.
- (140) First, in Blekinge län and Uppsala län the Parties' combined market share is moderate and not indicative of market power, whilst the increment brought by the Transaction is very small. In particular, the Parties' combined market share in Blekinge län in the overall market is ~[20-30]-[30-40]% (between 2020-2022), and ~[30-40]% in the market for non-residential customers in 2022, whereas the increment is negligible, ~[0-5]%, in all the affected product markets, reflecting the fact that Caverion is barely active in the provision of water and sanitation services in Blekinge län. Likewise, the Parties' combined market share in Uppsala län in the overall market is ~[30-40]-% (between 2020-2022), ~[30-40]% in the possible market segment for non-residential customers and ~[30-40]% in the possible market segment for residential customers in 2022, whereas the increment is negligible, ~[0-5]%, in all the affected product markets, reflecting the fact that Caverion is barely active in the provision of water and sanitation services in Uppsala län as well.¹²³
- (141) Second, in Västerbottens län the Parties' combined market share is also moderate. In particular, the Parties' combined market share in the overall market is ~[20-30]% (between 2020-2022), and [20-30]% in the market for residential customers in 2022. Thus, even though the increment brought by the Transaction is relatively

¹¹⁸ Form CO, paragraphs 440 and 445.

¹¹⁹ Form CO, paragraph 473.

¹²⁰ Form CO, paragraph 442.

¹²¹ Form CO, paragraph 443.

¹²² Form CO, paragraph 438.

¹²³ Annex 9_5.4(ii)_02 to the Form CO, pages 6 and 73; Form CO, paragraphs 410, 414, 415 and 420.

high, between ~[10-20]% in both the overall market and the segmentation for residential customers, the Parties' combined market shares are not indicative of market power.¹²⁴

- (142) Third, post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other competitors, including (i) in Blekinge län, Bravida, Skytten Hjalmar AB and Nimlas (estimated market share 10-15% each in both the overall and non-residential markets), as well as Instalco, Celekta Invest Aktiebolag and others (estimated market share [10-20]5% each in both the overall and non-residential markets);¹²⁵ (ii) in Uppsala län, AB Lindqvist & Larsson VVS, Perihelium Group AB, Högbergs Gruppen AB, Storskogen Group AB, and 4 Invest AB (estimated market share 0-5% each in the overall market and both the residential and non-residential market segments);¹²⁶ and (iii) in Västerbottens län, Bravida and Aktiebolaget Infjärdens Värme (estimated market share [10-20]% each in both the overall and residential markets), and others such as Bengt Johanssons Rör Aktiebolag and Umia Holding AB (estimated market share 5-10% each in both the overall and residential markets).¹²⁷
- (143) The fact that the Parties will continue to face competition post-Transaction from a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents. For example, an internal document prepared by Triton, suggests that the markets in both Sweden and Norway are '*fragmented (...) with small and mid-sized players making up [the] majority of the market*'. More specifically, according to that internal document, [50-60]% of the overall Swedish market is held by small and local players, whereas only [30-40]% of the market is held by large national players¹²⁸ (which another internal document identifies as e.g., the Parties, Bravida and Instalco).¹²⁹ Another internal document prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Sweden ('*national reach*'), are perceived by customers are superior in terms of quality and reliability, and are '*less aggressive on pricing*', however, it highlights that mid-size and local / small players have a strong regional presence, and maintain their relationships and reputation with customers and therefore are a strong competitive force at local level.¹³⁰
- (144) Fourth, the fact that the Parties did not compete with one another [...] water and sanitation projects that they were awarded to in 2022 in either of Blekinge län, Uppsala län or Västerbottens län, suggests that the Parties are not competing closely with one another in those markets. Furthermore, in response to the Commission's market investigation, respondents confirmed that Assemblin's closest competitor is in fact Bravida and not Caverion, as the former two compete

¹²⁴ Annex 9_5.4(ii)_02 to the Form CO, pages 6 and 73; Form CO, paragraphs 421 and 426.

¹²⁵ Form CO, paragraph 401.

¹²⁶ Form CO, paragraph 407.

¹²⁷ Form CO, paragraph 407; and Annex 1 to question 7 of the Notifying Party's response to a Commission's pre-notification request for information (QP6); Form CO, paragraphs 411, 417 and 423.

¹²⁸ Annex 9_5.4(ii)_02 to the Form CO, page 73.

¹²⁹ Annex 9_5.4(ii)_01 to the Form CO, page 101.

¹³⁰ Annex 9_5.4(ii)_02 to the Form CO, page 97.

for the same tenders and offer a very similar portfolio of services.¹³¹ While Bravida does not currently hold a significant presence Uppsala län, this finding should hold for Västerbottens län and does not detract from the fact that it is an important player with a national presence.

- (145) Fifth, respondents to the Commission's market investigation confirmed that barriers to entry in the market for the provision of water and sanitation services in local Swedish regions are low, which justifies the fact that the market is very fragmented.¹³²
- (146) Sixth, none of the market participants and competitors that participated in the Commission's market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.8.3.2. Norwegian regions

- (147) The results of the Commission's market investigation, as well as information in the file confirm the Notifying Party's view, for the reasons listed below.
- (148) First, the Parties' combined market shares are moderate and not indicative of market power. In particular, in Oslo, the Parties' combined market share in the overall market is ~[10-20]-[20-30]% (between 2020-2022), and [20-30]% in the possible market segment for non-residential customers in 2022. Similarly, in Østfold, the Parties' combined market share in the overall market is ~[10-20]-[20-30]% (between 2020-2022), and [30-40]% in the possible market segment for residential customers in 2022.
- (149) Second, the increment brought by the Transaction is small, and ranges between (i) ~[0-5]% in Oslo, both in the overall market and the market for non-residential customers; and (ii) ~[0-5]% in Østfold both in the overall market and the market for residential customers.
- (150) Third, post-Transaction the Parties will continue to compete with and face significant competitive pressure from a number of other credible competitors, which include, (i) in Oslo, Bravida (estimated market shares [10-20]-[20-30] % in both the overall market and the segment for non-residential customers), GK (estimated market shares [10-20]% in both the overall market and the segment for non-residential customers) as well as HR Rør Holding AS, Instalco, Thoresen Invest AS, CRB Holding AG, VVS Norge AS, each of whose shares in the maintenance services segment are estimated by the Parties to be around [0-5]% both the overall market and the segment for non-residential customers;¹³³ and, (ii) in Østfold, from regional competitors, which include Halvorsen, Investering AS, VVS Comfort AS, Borge Rør AS, GK, and Ostfold Rør AS, each of whose shares in the maintenance services segment are estimated by the Parties to be around [0-5]% both the overall market and the segment for non-residential customers.¹³⁴

¹³¹ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

¹³² Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023;
Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

¹³³ Form CO, paragraph 441.

¹³⁴ Form CO, paragraph 446.

- (151) The fact that the Parties will continue to face competition post-Transaction from a number of other competitors that are active either nationally, or locally, is supported by evidence from the Parties' internal documents. For example, an internal document prepared by Triton, suggests that the markets in both Sweden and Norway are '*fragmented (...) with small and mid-sized players making up [the] majority of the market*'. More specifically, according to that internal document, [50-60]% of the overall Norwegian market is held by small and local players, whereas only [20-30]% of the market is held by large national players¹³⁵ (which another internal document identifies as e.g., GK, Bravida and Caverion).¹³⁶ Another internal document prepared by external consultants for Triton, suggests that the large national players have the ability to offer their services throughout Norway ('*national reach*'), are perceived by customers as superior in terms of quality and reliability, and are '*less aggressive on pricing*', however, it highlights that mid-size and local / small players have a strong regional presence, and maintain their relationships and reputation with customers and therefore are a strong competitive force at local level.¹³⁷
- (152) Fourth, the facts that (i) neither Assemblin nor Caverion competed with one another [...] water and sanitation maintenance projects between 2021-2023 in Oslo; and (ii) Caverion was not awarded [...] between 2021 to 2023 in the water and sanitation maintenance services market in Østfold, suggest that the Parties are not competing closely with one another in those markets (and their relevant segments). Furthermore, in response to the Commission's market investigation, respondents confirmed that Assemblin's closest competitor is in fact Bravida and not Caverion, as the former two compete for the same tenders and offer a very similar portfolio of services.¹³⁸
- (153) Fifth, respondents to the Commission's market investigation confirmed that barriers to entry in the market for the provision of water and sanitation services in local Norwegian regions are low, which justifies the fact that the market is very fragmented.¹³⁹
- (154) Sixth, none of the market participants and competitors that participated in the Commission's market investigation raised any concerns with regards to the effects of the Transaction in this market.

5.2.8.4. Conclusion

- (155) In light of the above, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the market for water and sanitation maintenance services (and its possible segmentations for residential and non-residential customers where the Transaction gives rise to affected markets) in Blekinge län, Uppsala län and Västerbottens län.

¹³⁵ Annex 9_5.4(ii)_02 to the Form CO, page 73.

¹³⁶ Annex 9_5.4(ii)_02 to the Form CO, page 101.

¹³⁷ Annex 9_5.4(ii)_02 to the Form CO, page 97.

¹³⁸ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023.

¹³⁹ Non-confidential minutes of a pre-notification conference call with a competitor dated 26 July 2023; Non-confidential minutes of a pre-notification conference call with a competitor dated 17 July 2023.

- (156) Similarly, the Commission concludes that the Transaction does not give rise to serious doubts regarding its compatibility with the internal market as a result of the horizontal overlap in the market for water and sanitation maintenance services (and its possible segmentations for residential and non-residential customers where the Transaction gives rise to affected markets) in Oslo and Østfold.

6. CONCLUSION

- (157) For the above reasons, 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)
Margrethe VESTAGER
Executive Vice-President