



COMESA Competition Commission
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**Common Market for Eastern
and Southern Africa**

CASE FILE No. CCC/MER/03/05/2015

Decision¹ of the Sixteenth Meeting of the Committee of Initial Determination Regarding the Proposed Merger between Holtzbrinck Publishing Group and Springer Science and Business Media GP Acquisition S.C.A

ECONOMIC SECTOR: Academic Publishing

29th July 2015 – Lilongwe, Malawi

¹ In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible the information omitted has been replaced by ranges of figures or a general description.

Information and Relevant Background

1. On 27th May 2015 the Commission received notification of a merger from Holtzbrinck Publishing Group hereinafter referred to as (“HPG”) and Springer Science and Business Media GP Acquisitions S.C.A hereinafter referred to (“Springer”). The transaction has been notified with the Commission under Article 24(1) of the Regulations. The Commission’s concern is primarily whether the proposed transaction between the parties would, or is likely to have the effect of substantially preventing or lessening competition; or would be contrary to public interest in the Common Market as provided for under Article 26 of the Regulations.
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations hereinafter referred to as (“the Regulations”). Under this provision the Commission is required to assess whether the proposed transaction between the parties would, or is likely to have the effect of substantially preventing or lessening competition; or would be contrary to public interest in the Common Market pursuant to Article 26 of the Regulations.
3. The Committee of Initial Determination hereinafter referred to as (“the CID”) noted that the parties operate in two or more COMESA Member States. This, therefore, means that the regional dimension requirements under Articles 23(3) and 23(5) of the Regulations are satisfied and asserts jurisdiction of the Commission to assess the transaction.

The Parties

Springer

4. Springer is a global publishing company. Its principal business activities comprise the publishing of academic journals and books, primarily in the science, technology and medical fields, certain operations in the area of scientific online databases and workflow tools and local language professional publishing under various imprints, amongst others, in Germany and the Netherlands.

HPG

5. HPG is a global publishing company with three core operational divisions: (i) Macmillan Science and Education focusses on academic and educational publications; (ii) Macmillan Publishers (focusses on trade fiction and non-fiction); and (iii) Holtzbrinck Digital, Information & Services (focusses on internet companies, news media and services). Only Macmillan Science and Education will be affected by the transaction.

Nature of the Transaction

6. The proposed transaction is a global transaction in terms of which most of the activities of the Macmillan Science and Education division of springer and its subsidiaries and most of the activities of HPG will be combined in a joint venture, which will be jointly controlled by HPG and Springer.

Competition Analysis

7. The CID noted that the relevant market is highly contested and does not raise significant competition concerns. The CID established that the transaction does not raise foreclosure

concerns and hence it is highly unlikely that the merger will result in an appreciable effect on trade between Member States.

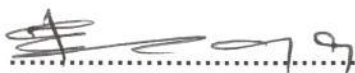
Determination

8. The CID determined that the merger does not substantially prevent or lessen Competition and is compatible with the Treaty Establishing the Common Market. The CID therefore decided to approve the transaction.
9. This decision is adopted in accordance with Article 26 of the COMESA Competition Regulations.

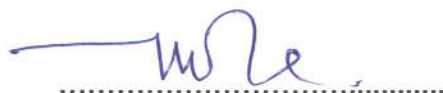
Dated this 29th day of July, 2015.



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Commissioner Matthews Chikankheni (Chairman)



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Commissioner Thabisile Langa (Member)



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Commissioner Patrick Okilangole (Member)