



DETERMINATION OF MERGER NOTIFICATION M/18/084– ENDLESS LLP/AMERICAN GOLF

Section 21 of the Competition Act 2002

Acquisition by Endless LLP, through its subsidiary American Golf (Trading) Limited, of the business and certain assets of American Golf Discount Centre Limited (in Administration) and SW Golf Limited (in Administration).

Dated 21 November 2018

Introduction

1. On 17 October 2018, the Competition and Consumer Protection Commission (the “Commission”) received a notification to which section 18(1) of the Competition Act 2002, as amended (“the Act”) applies, namely the acquisition by Endless LLP (“Endless”), through its subsidiary American Golf (Trading) Limited (“AGTL”), of the business and certain assets of American Golf Discount Centre Limited (in Administration) (“American Golf”) and SW Golf Limited (in Administration) (“SW Golf”), (collectively “the Target Assets”) (the “Transaction”).

Completion Prior to Commission Clearance

2. On 12 October 2018, prior to receiving the notification, the Commission was contacted by the parties to the Transaction indicating that the Transaction had been completed that day without first notifying the acquisition to the Commission. The parties explained that the Target Assets were in administration, the Transaction was completed in an “accelerated timescale”, and that the Transaction would be notified to the Commission as soon as is practicable.¹
3. Pursuant to section 19(1) of the Act, any proposed merger or acquisition that is required to be notified to the Commission pursuant to section 18(1) of the Act shall not be put into effect until the Commission has made a determination in relation to such merger

¹ Correspondence between the Commission and the parties 12 October 2018.



or acquisition (or until the statutory period for the Commission to make a determination in relation to such merger or acquisition has elapsed). If a proposed merger or acquisition is purportedly put into effect in contravention of section 19(1) of the Act, such merger or acquisition is void under section 19(2) of the Act.

4. Section 18(12A) of the Act provides that the Commission may accept a notification of a merger or acquisition which is required to be notified to the Commission pursuant to section 18(1) of the Act but which was purported to have been put into effect without having notified to the Commission. The Commission has decided to accept the notification of the Transaction pursuant to section 18(12A)² of the Act and proceeded to review the notification in accordance with the relevant provisions of the Act. The Commission reserves its right to commence an investigation into a suspected breach by the undertakings involved in the Transaction of the notification requirements under section 18(1) of the Act, which is an offence under section 18(9) of the Act.

The Transaction

5. The Transaction was implemented pursuant to a sale and purchase agreement dated 12 October 2018 (the “SPA”) between AGTL, American Golf, SW Golf, and Daniel Francis Butters and Daniel James Mark Smith (joint administrators of American Golf and SW Golf). The SPA provided for the acquisition of the Target Assets.

The Undertakings Involved

The Acquirer – Endless

6. Endless is a UK-based limited liability partnership that manages private equity funds, specialising in buyouts, non-core acquisitions from larger groups, turnarounds, and financial restructurings. Endless is authorised by the UK Financial Conduct Authority to undertake investment management activities.

² Section 18(12A) of the Act, inserted by section 55 of the Competition and Consumer Protection Act 2014 states that, “Notwithstanding section 19(2), the Commission may, for the purposes of this Part, request or accept notification of a merger or acquisition to which subsection (1) applies but which was purported to have been put into effect without having been notified in accordance with that subsection.”



7. Within the State, Endless generates turnover from the following ten companies in its portfolio:
- a. Adare SEC Limited which is a provider of secure and essential communication solutions to organisations to ensure that their documents, assets and identities are protected from fraud and replication;
 - b. Amber Road Travel Limited which is a travel management specialist which provides bespoke travel solutions to businesses;
 - c. Antler Limited which is a multi-channel British luggage business employing 280 people across the UK, China and the USA;
 - d. Arran Aromatics Limited which is a Scottish retail company specialising in bath, body and home fragrance products that are designed, formulated and produced on the Isle of Arran;
 - e. EVO Business Supplies Limited which is a distributor of business supplies in the UK and the State. There are four companies in the EVO group. The first is Vow Europe Limited, a specialist wholesaler of business products and facilities supplies. The second, Vow Wholesale Ireland, is the dedicated Republic of Ireland arm of the first company. The third is Banner Group Limited, which is a direct provider of office supplies and business services to customers ranging from large corporates to micro businesses in both the public and private sectors. The fourth, Truline Logistics Limited, is the EVO group of companies' transport business, managing deliveries on behalf of Banner and Vow;
 - f. High Street TV (Group) Limited which is an online retailer of household electrical goods based in Harrogate, England and specialises in kitchen, fitness, beauty and fashion and DIY products. High Street TV also sells products through teleshopping and outlets like John Lewis and Argos;



- Unit 4, Frankfort Centre, Dundrum Road, Dundrum, Dublin 14.

11. For the financial year ended 31 January 2017, the Target Assets combined worldwide turnover was approximately €[...]million, of which €[...]million was generated in the State.

Rationale for the Transaction

12. The Parties state in the notification:

“Endless views the acquisition of the business and assets of the Sellers by the Purchaser as being in line with its commercial objective to focus on businesses in need of turnaround and financial/operational improvement.”

Third Party Submissions

13. No submission was received.

Competitive Analysis

Horizontal Overlap

14. There is no horizontal overlap in the activities of the parties. None of the companies in the Endless portfolio which generated turnover in the State in 2017 are engaged in the same business activities as the Target Assets, i.e., the sale of golf clubs, golf equipment and golf shoes and clothing in the State.

15. The Commission therefore considers that the Transaction does not raise any horizontal competition concerns in the State.

Vertical Relationship

16. The parties informed the Commission that there is no vertical relationship in the State between the Target Assets and any of the companies in the Endless portfolio which generated turnover in the State in 2017. The Commission has not identified any vertical relationship between the parties. Therefore, the Commission considers that the Transaction does not raise any vertical competition concerns in the State.



Ancillary Restraints

17. No ancillary restraints were notified.



Determination

18. The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the acquisition, whereby, American Golf (Trading) Limited, a company ultimately owned by funds managed by Endless LLP, acquired the business and certain assets of American Golf Discount Centre Limited and SW Golf Limited, will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Patrick Kenny
Member
Competition and Consumer Protection Commission