

Final Report of the Hearing Officer ⁽¹⁾**Munksjö/Ahlstrom****(M.6576)**

(2015/C 152/06)

I. BACKGROUND

1. On 31 October 2012, the European Commission received a notification of a proposed concentration pursuant to Article 4 of the Merger Regulation ⁽²⁾, whereby Munksjö Corporation will acquire sole control over Munksjö AB and Ahlstrom Corporation's Label and Processing Business within the meaning of Article 3(1)(b) of the Merger Regulation.
2. The proposed transaction does not have an EU dimension within the meaning of Article 1 of the Merger Regulation. However, it was referred to the Commission at the request of the merging parties pursuant to Article 4(5) of the Merger Regulation.
3. The Commission initiated proceedings according to Article 6(1)(c) of the Merger Regulation on 7 December 2012. The notifying parties were given access to non-confidential versions of certain key submissions of third parties collected during the first phase investigation on 14 and 20 December 2012.

II. PROCEDURE**Statement of Objections**

4. On 21 February 2013, the Commission adopted a Statement of Objections ('SO') pursuant to Article 18 of the Merger Regulation.
5. In the SO, the Commission preliminarily concluded that the proposed transaction would raise competition concerns in the markets for (i) both overall and heavy weight abrasive paper backings in the EEA and worldwide and (ii) pre-impregnated paper in the EEA as well as worldwide excluding China.
6. The addressees did not reply to the SO, nor did they request an oral hearing.

Access to file

7. The notifying parties received access to the file through two CD-ROMs which they received on 22 February 2013 and 11 April 2013 respectively.

Third persons

8. One competitor and one customer of the notifying parties, Papierfabrik August Koehler AG and IKEA of Sweden AB ⁽³⁾ respectively, demonstrated sufficient interest within the meaning of Article 18(4) of the Merger Regulation and were thus recognized interested third persons. They received information of the nature and subject matter of the procedure and were given the opportunity to make known their views.

Commitments

9. In order to address the competition concerns identified in the SO, the notifying parties submitted commitments on 19 March 2013 which were subsequently revised on 22 March 2013. The Commission launched a market test of the latter commitments on 25 March 2013. Having considered the results of the market test, the Commission considered that the commitments were insufficient to solve the competition concerns arising from the merger. Subsequently, the notifying parties submitted final commitments on 17 April 2013 consisting of the sale of certain assets to a third party purchaser. The Commission concluded that the final commitments were adequate and sufficient to eliminate the competition concerns identified in the markets for heavy weight abrasive paper backings and pre-impregnated paper.

⁽¹⁾ Pursuant to Articles 16 and 17 of Decision 2011/695/EU of the President of the European Commission of 13 October 2011 on the function and terms of reference of the hearing officer in certain competition proceedings (OJ L 275, 20.10.2011, p. 29).

⁽²⁾ Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the 'Merger Regulation') (OJ L 24, 29.1.2004, p. 1).

⁽³⁾ The decision also included the Belgian subsidiary NV IKEA Service Center S.A.

III. THE DRAFT DECISION

10. In my opinion the draft Decision relates only to objections in respect of which the notifying parties have been afforded the opportunity to make known their views.

IV. CONCLUDING REMARKS

11. I consider that all participants have been able to effectively exercise their procedural rights in this case.

Brussels, 13 May 2013.

Michael ALBERS
