



PURSUANT to section 60(4)(a)(ii) of the Competition Act (Cap 46:09), notice is hereby given on the decision made by the Competition Authority in respect of the following proposed acquisition:

DECISION ON THE PROPOSED ACQUISITION OF 100% ISSUED SHARES IN OCLIN PROPRIETARY LIMITED BY RETAILABILITY PROPRIETARY LIMITED.

The Authority determined to unconditionally authorise the proposed transaction on the grounds that the analysis of the facts of the case in this report have shown that there were no competition concerns that will arise in the markets for wholesaling and retailing of clothing and apparel, with respect to the acquisition of Oclin (Pty) Ltd by Retailability (Pty) Ltd, given the fact:

- i) The proposed transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service, due to the absence of geographic overlap between the activities of the merging parties;
- ii) Similarly, the implementation of the proposed merger is not expected to result in the merged entity attaining a dominant position, as the transaction is not expected to affect the current market structure; and
- iii) No significant negative effect on public interest in Botswana has been identified, in relation to the provisions of section 59 (2).

The Authority took into consideration the commitment that:

- i. There is no intention to terminate the contract between Oclin and the local supplier, as the supplier has had a long working relationship with Oclin/Retailability, producing quality products for both the Beaver Canoe and Style brands;
- ii. There is no fixed term contract in place therefore Oclin/Retailability envisages continuing its relationship and commercial terms with the local supplier for the foreseeable future; and
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- iii. They anticipate that there will be scope in future to increase the extent of local procurement that Oclin undertakes.

Subject to these commitments, and pursuant to the provision of section 55 of the Competition Act, the Authority has unconditionally approved the proposed merger.

However, as stated under section 66 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to these mergers must comply with under the Laws of Botswana.

Dated at Gaborone this 2nd day of December, 2014

Thula Kaira, Chief Executive Officer, Competition Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013