



MERGER NOTICE NO 23: 2020

THE PROPOSED ACQUISITION BY RETAILABILITY PROPRIETARY LIMITED, THROUGH OCLIN PROPRIETARY LIMITED, OF PARTS OF THE EDGARS BUSINESS CONDUCTED BY EDCON IN BOTSWANA (THROUGH EDCON BOTSWANA), AS A GOING CONCERN, CONSISTING OF CERTAIN ASSETS AND IDENTIFIED LIABILITIES

Pursuant to section 49(1) of the Competition Act of 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification for the proposed acquisition by Retailability Proprietary Limited ("Retailability"), through Oclin Proprietary Limited ("Oclin Botswana"), of parts of the Edgars business conducted by Edcon in Botswana (through Edcon Botswana), as a going concern, consisting of certain assets and identified liabilities ("the target business").

The acquirer, Retailability, is a company incorporated in accordance with the Laws of the Republic of South Africa. Retailability is controlled by Clifford Raymond Lines (through a company which functions solely as a holding company of his interests in Retailability) and Metier Investment and Advisory Services Proprietary Limited ("Metier"). On the other hand, Metier is a private equity enterprise with investments in a range of industries spanning healthcare, hospitality, FMCGs and telecommunications.

Retailability is a retailer of clothing apparel. The acquirer owns clothing apparel retail stores trading under the names "*Beaver Canoe*", "*Style*", and "*Legit*". The Beaver Canoe stores sell clothing apparel for men and boys only. The Style stores offer men's and ladies' contemporary and formal fashion. The Legit stores have a fashion store format which focuses on the retailing of clothing, footwear and accessories and colour cosmetics and cellular products. There are currently five (5) Beaver Canoe stores, 10 Style stores and seven (7) Legit stores across Botswana.

The Directors of Retailability are: Clifford Raymond Lines; Mark Richard Friday; Norman Victor Drieselmann (all South African); and Nasreen Essack (Motswana).

The target business forms part of the Edgars Division, which is Edcon's department store brand, selling clothing, footwear and accessories for men, women and children. In addition, these stores offer textiles, cosmetics and cellular products. The Edgars Business is controlled by Edcon Botswana, which in turn is controlled by Edcon.

The Target Business comprises of two (2) Edgars franchise brand and private label stores across Botswana. These stores target middle to upper income customers and are home to a range of private label brands such as *Free2BU*, *Charter Club* and *Stone Harbour*, and a wide range of market label brands (such as Levi's and Guess) for clothing, footwear and cosmetics. In addition, the Target Business operates iconic Edgars Home and Edgars Beauty stores as store-in-store formats rounding out the department store offering in Botswana.

The Directors of Edcon Botswana are: Charles Mzwandile Vikisi; Shane Van Niekerk (both South Africans); and Jethro Kamutsi (Zimbabwean).

According to section 50(3), of the Competition Act of 2018, "any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger."

The Competition and Consumer Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

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