



MERGER NOTICE NO 43: 2016

THE PROPOSED ACQUISITION OF THE BRAND ACTIVATION BUSINESS OF EXPO BOTSWANA (PTY) LTD AND ITS BUSINESS ASSETS BY CA SALES HOLDINGS (PTY) LTD

Pursuant to section 56(1) of the Competition Act (Cap 46:09), the Competition Authority has received a notification for the proposed acquisition of the brand activation business of Expo Botswana (Pty) Ltd and its business assets by CA Sales Holdings (Pty) Ltd.

CA Sales, the acquiring entity, is incorporated in accordance with the Laws of the Republic of South Africa. CA Sales is ultimately controlled by PSG Group Limited (PSG), a company listed on the securities exchange, operated by the JSE Limited. PSG is not controlled directly or indirectly by any firm and some of its shareholders include: Public Investment Corporation (including Government Employees Pension Fund - South Africa); Mr. JF Mouton and his associates; and Steinhoff International Holdings N.V and its subsidiaries.

In Botswana, CA Sales wholly owns the following entities: SMC Brands Botswana (Pty) Ltd (SMC Botswana); Pamstad (Pty) Ltd. CA Sales and Distribution (Pty) Ltd (CA Distribution); Dafin Sales and Distribution (Pty) Ltd; Warehousing Services Botswana (Pty) Ltd and Kalahari Training (Pty) Ltd.

SMC Botswana is a wholesale distributor of premium branded alcoholic beverages in Botswana, while, CA Distribution operates as a combined/single unit offering sales; merchandising; warehousing; distribution and debtor management services to a range of manufacturers and importers of FMCGs in Botswana and other sub-Saharan African countries. Pamstad's only activity in Botswana is to hold shares in Smithshine Enterprises (Pty) Ltd. Smithshine offers sales; merchandising; distribution and debtor management services to manufacturers and importers of FMCGs in Botswana. Primarily, Smithshine provides these services in relation to frozen and chilled products (cold chain) and some ambient food products, servicing wholesalers, retailers, convenience stores and forecourts. CA Sales provides its products throughout Botswana.

The brand activation business of Expo Botswana, the target enterprise, is incorporated in accordance with the Laws of the Republic Botswana and is controlled by Brian Bakeberg (Motswana), Orla Bakeberg (Irish national) and Tyron Swanepoel (Namibian).

In addition to Expo Botswana, Brian also controls Encircle (Pty) Ltd in Botswana. Brian and Orla also have shareholding in Expo African Marketing (Mauritius). The brand activation business of Expo Botswana provides below-the-line advertising and marketing services such as brand activation; in-store activations; shopping centre activations and road shows to promote brands and products of their clients. The brand activation business of Expo Botswana therefore provides its services throughout Botswana.

According to section 57(3), of the Competition Act, “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 Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from the date of this publication to the following address:

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