



**Determination No. M/04/067 of the Competition Authority, 17 December 2004, under Section 21 of the Competition Act, 2002.**

**Notification No. M/04/067- TPG IV, TPG III, T3 II/Celerity**

**Introduction**

1. On the 22<sup>nd</sup> of November 2004 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby investment funds TPG IV, TPG III, and T3 II would acquire the assets of Celerity Group, Inc. (“Celerity Group”), Kinetics Chempure Systems, Inc. (“KCS”) and FTS Systems (“FTS”).

**The Parties**

2. TPG IV, TPG III, and T3 II (“the acquirers”) have formed an acquisition vehicle, Celerity Inc.<sup>1</sup>, for the purposes of the acquisition. TPG IV funds are Delaware, limited partnerships whose primary activities are to make investments in a variety of operating companies through acquisitions and corporate restructurings.
3. TPG III consists of a number of investment funds controlled by TPG Partners III, L.P. TPG III was formed to make investments in a variety of operating companies through acquisitions and corporate restructurings.
4. T3 II consists of a number of investment funds controlled by T3 Partners II, L.P. T3 II was formed to make investments in a variety of operating companies through acquisitions and corporate restructurings.
5. Celerity Group, KCS and FTS (“the targets”) are wholly owned subsidiaries of Kinetic Holdings LLC. The targets are active in the design, manufacturing, outsourced manufacturing and production of high-performance speciality capital equipment utilized in the electronics, semiconductor and life sciences industries, with a focus on high-performance gas and chemical delivery process modules that are integral to the equipment used in manufacturing semiconductors.

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<sup>1</sup> Note this is an acquisition vehicle distinct from Celerity Group, Inc.



## **Analysis**

6. Neither TPG IV nor T3 II have a controlling interest in any company active in the same market as Celerity, nor in any upstream or downstream market.
7. TPG II controls MEMC Electronic Materials, Inc. a company that produces and sells silicon wafers to semiconductor makers around the world. Celerity sells slurry blending equipment to some of MEMC's competitors. However, Celerity does not sell any slurry blending equipment to MEMC's competitors in the State. Consequently there are no competition concerns in Celerity's specialised market, or in any upstream or downstream market.

## **Determination**

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

## **For the Competition Authority**

**Edward Henneberry**  
**Member of the Competition Authority**

**17 December 2004**