



Determination No. M/05/048 of the Competition Authority, dated 2nd September 2005, under Section 21 of the Competition Act, 2002

Notification No. M/05/048 – Proposed acquisition by Oracle Corporation of i-flex solutions limited

Introduction

1. On 5th August 2005 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 Oracle Corporation (“Oracle”) would acquire i-flex solutions limited (“i-flex”).

The Parties

2. Oracle is active in the design, development, manufacture and distribution of enterprise application software, database and application server software and related services. It operates one subsidiary in the State and generates turnover here of €46.32m. Its offerings in the financial services industry are more limited and it generated c. €m sales to customers in this sector the most recent
3. i-flex is a company listed on the Bombay Stock Exchange. It offers solutions specifically developed for banking institutions. Its flagship product Flexcube offers a comprehensive range of packaged solutions addressing the transaction processing, accounting and internet delivery needs of a wide range of financial institutions. i-flex does not have any offices or subsidiaries on the island of Ireland but generates turnover here of €1.6m.

Analysis

4. There is minimal overlap in the activities of the parties. i-flex estimate that their share of core banking applications globally is c.2%. There are a number of other providers of core banking solutions that are based in Europe. The transaction does not therefore give rise to competition concerns.

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 by Oracle Corporation of i-flex solutions limited 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.



The Competition Authority
An tÚdarás Iomaíochta

For the Competition Authority

Edward Henneberry
Member of the Competition Authority