



DETERMINATION OF MERGER NOTIFICATION M/07/013 – QUINN GROUP/BUPA IRELAND

Section 21 of the Competition Act 2002

Proposed acquisition of BUPA Ireland Limited by Quinn Group Limited

Dated 03/04/07

Introduction

1. On 9 March 2007 the Competition Authority (“the Authority”), in accordance with Section 18(1)(a) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby the Quinn Group Limited (“The Quinn Group”) would acquire sole control over BUPA Ireland Limited (“BUPA Ireland”).

The Proposed Transaction

2. Pursuant to binding Heads of Terms dated 12 February 2007, it is proposed that:
 - (a) Quinn Direct Insurance Limited (“Quinn Direct”) will acquire from BUPA Insurance Limited the health insurance policies of its Irish branch and its associated customers, goodwill, assets and liabilities.
 - (b) Quinn Financial Holding Limited (“Quinn Financial”) will acquire 100% of the share capital in BUPA Ireland, which administers and operates the BUPA Irish Branch and which through one of its subsidiaries, provides occupational health services.

Third Part Submission

3. There were no submissions from third parties during this investigation. The Authority received enquires from a provider of private health insurance (“provider”) in the State about the nature of the businesses to be acquired. Further discussions were held with that provider. That provider ultimately decided, however, not to make any further submissions.

The Undertakings Involved

The Acquirer

4. The Quinn Group, the acquirer, is an Irish registered company. The Quinn Group is active in cement, plastics, glass and radiator manufacturing in Ireland and Europe. It is also active in the leisure industry in Ireland and the UK.

5. The Quinn Groups is active in the insurance market in Ireland trading under the names:
 - (a) Quinn Direct- which sells non-life insurance business in the following areas of risks: motor insurance; commercial vehicle; home; contents; business and fleet.
 - (b) Quinn Life- which sells life insurance and life and pensions products.

The Target

6. BUPA Ireland, the target, is a wholly-owned subsidiary of the BUPA Group, a UK-registered company that is active in the private health insurance market. BUPA Ireland provides private health insurance in Ireland together with ancillary occupational health and employee assistance schemes. The BUPA Employee Assistance Programme is an employee assistance scheme.¹

Analysis

7. The Quinn Group is not active in the private health insurance market. There is no competitive overlap between the activities of the undertakings involved in the State or elsewhere.
8. The Authority therefore considers that the proposed transaction does not raise competition concerns in the State.

Ancillary Restraints

9. The Authority also reviewed restrictive arrangements agreed by the undertakings involved in the share purchase agreement. As the transaction does not raise competition concerns in the State, the Authority does not consider it necessary to express a view concerning these arrangements.

Determination

The Competition Authority, in accordance with section 21(2)(a) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition of sole control over BUPA Ireland Limited by Quinn Group 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.

For the Competition Authority

Dr. Paul K. Gorecki
Member of the Competition Authority

¹ This service consists of a confidential support telephone line that is open 24 hours a day, seven days a week.