



## **DETERMINATION OF MERGER NOTIFICATION M/07/015 -**

### **Madison Dearborn Partners, LLC/The Topps Company, Inc.**

#### **Section 21 of the Competition Act 2002**

#### **Proposed acquisition by Madison Dearborn Partners, LLC of The Topps Company, Inc.**

**Dated 30/04/2007**

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#### **Introduction**

1. On 4 April 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 proposed acquisition by Madison Dearborn Partners, LLC ("MDP") of The Topps Company, Inc. ("Topps").

#### **The Proposed Transaction**

2. MDP will acquire [...] of the share capital of Topps and The Tornante Company LLC ("Tornante") will acquire [...] of the share capital of Topps. Tornante is a privately held company that makes investments and incubates companies and opportunities in the media and entertainment industry. Tornante will not have any contractual or other right which would allow it to exercise joint control with MDP over Topps. The proposed transaction will be effected as follows:
  - The holding company is Tornante-MDP Joe Holdings LLC.
  - Tornante-MDP Joe Acquisition Corp, the acquisition company, is a wholly owned subsidiary of Tornante-MDP Joe Holdings LLC.
  - Three of the MDP funds<sup>1</sup> together with Tornante will acquire Topps through Tornante-MDP Joe Acquisition Corp. Madison Dearborn Capital Partners V-A, L.P. will control Tornante-MDP Joe Acquisition Corp.
  - Pursuant to the proposed transaction, Tornante-MDP Joe Acquisition Corp will be merged with and into Topps.

#### **The Undertakings Involved**

##### ***The Acquirer***

3. MDP is a private equity investments firm specialising in a broad range of industry sectors such as basic industries, communications, consumer goods and services, financial services and health care. MDP comprises

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<sup>1</sup> The three funds are Madison Dearborn Capital Partners V-A, L.P., Madison Dearborn Capital Partners, V-C, L.P. and Madison Dearborn Capital Partners V-Executive-A, L.P. These funds are part of the MDCP V fund group.

five groups of funds.<sup>2</sup> MDCP V will through three of its funds acquire Topps. In 2005, MDP had a worldwide turnover of [.] with a turnover of [.] in the State

### **The Target**

4. Topps, the target, is involved in two business segments: (i) confectionary, and (ii) entertainment. Topps markets lollipop brands and other non-chocolate confectionery products in the United States, Canada, Europe, parts of Asia, Latin America, New Zealand and Australia. In entertainment its primary activities are branded products including trading cards, sticker album collections and collectible strategy games. Topps Irish subsidiary, located in Ballincollig in Co. Cork, is the central marketing and distribution hub for Topps European business. In the financial year ending February 25, 2006 Topps had a total worldwide consolidated turnover of US\$293.8 million of which [.] was achieved in Ireland.

### **Analysis**

5. There is no overlap between the activities of the undertakings involved in the State. Therefore, the Authority considers that the proposed transaction does not raise competition concerns in the State.

### **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 by Madison Dearborn Partners, LLC of The Topps Company, Inc. 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 Gorecki

Member of the Competition Authority

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<sup>2</sup> The five funds are MDCP, MDCP II, MDCP III, MDCP IV and MDCP V.