



# The Competition Authority

An tÚdarás Iomaíochta

## **DETERMINATION OF MERGER NOTIFICATION M/08/035 – SAGEM/PRINTRAK**

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

**Proposed acquisition of sole control of Printrak International, Inc. and certain assets of Motorola, Inc and its subsidiaries by Sagem Sécurité S.A.**

**Dated 21/11/08**

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### **Introduction**

1. On 7 November 2008 the Competition Authority (“the Authority”), in accordance with section 18(1)(a) of the Competition Act, 2002 (“the Act”) was notified of a proposal whereby Sagem Sécurité S.A. (“Sagem”), a wholly-owned subsidiary of SAFRAN S.A. (“SAFRAN”), would acquire of 100% of the outstanding capital stock of Printrak International, Inc. and various assets of Motorola and its subsidiaries, which together make up the Biometric Business Unit of Motorola (“Printrak”). Following the proposed transaction Printrak will be transferred to Sagem.

### **The Undertakings Involved**

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

2. Sagem is a wholly-owned subsidiary of SAFRAN, an international high technology group organised in four branches: (i) aerospace propulsion, (ii) aircraft equipment, (iii) defence security and (iv) communications. Sagem’s main global activity is the development of technologies involved in the advanced management of identity for forensic and civil ID applications. With respect to civil ID applications, Sagem develops the following technologies involved in the management of persons’ identity:

- the management and capture of individuals’ identity data and biometrics;
- security of systems (for example, public key infrastructure electronic signature and secure systems operation, internal system data exchange protection); and
- card chip operating systems and on-board security application for electronic passports (“e-passports”), production of cards and smart-cards and the provision of personalisation solutions.

3. SAFRAN’s main actives in Ireland include:

- sale and maintenance of aircraft engines (airplane and helicopters);
- leasing of aircraft engines;

- sale and maintenance of breaks, wheels and landing gear for aeronautical applications; and
  - marketing of mobile phones.
4. The SAFRAN group (including Sagem) is not active in respect of biometric identification solutions in the State.

**The Target**

5. Printrak is headquartered in Anaheim, California, USA. It designs and markets biometric identification solutions globally. These solutions identify individuals through physical features such as fingerprints, facial features, iris scans and other features. Printrak's primary solution is the automated fingerprint identification system ("AFIS") for law enforcement, civil and commercial customers around the world.
6. Printrak's primary activity in Ireland in 2007 was supplying an AFIS to An Garda Síochána. Printrak served as a sub-contractor to Accenture which led the project. This project is primarily based on an upgrade from a system that Printrak previously supplied to An Garda Síochána. The vast majority of Printrak's 2007 revenues in Ireland relate to this project. Printrak has no registered office or sales outlet in Ireland.

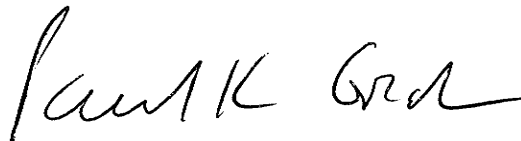
**Analysis**

7. Although both SAFRAN and Printrak are globally involved in the provision of biometric identification solutions, there is no vertical or horizontal overlap in their activities in the State. While Printrak has supplied AFIS to a customer in the State, neither SAFRAN nor any of its subsidiaries are active in this market 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 Sagem Sécurité S.A. of 100% of the outstanding capital stock of Printrak International, Inc. and various assets of Motorola and its subsidiaries, which together make up the Biometric Business of Motorola, 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