

Merger objection

THE Competition Tribunal will hear a case involving the Industrial Development Corporation (IDC) today, regarding the IDC's interest in purchasing Anglo American's steel businesses.

The transaction concerns the acquisition, by the IDC, of Anglo's Scaw SA and Consolidated Wire Industries (CWI).

"The Competition Commission assessed the deal and found that it would cause some competition concerns because of the IDC's interest in another steel maker, ArcelorMittal SA, the Competition Tribunal said in a statement yesterday.

The commission was concerned that the common shareholding and possible directorships between ArcelorMittal and the target firms, could create a platform for the exchange of competitively sensitive information.

"The commission has therefore recommended that the Competition Tribunal approve this deal subject to conditions aimed at preventing any anti-competitive exchange of information between ArcelorMittal, Scaw SA and CWI. Allens Meshco, a firm which operates in the steel industry, has objected to the merger."

– I-Net Bridge.