ACQUISITIONS (MOTOR VEHICLE COMPONENTS): THE FORD / KWIK-FIT CASE

Subject: Acquisitions

Industry: Motor vehicles

Parties: Ford Motor Company
Kwik-Fit plc

Source: Commission Statement IP/99/363, dated 1 June 1999

(Note. Since the Commission's Statement does not quantify the market shares in the sector concerned, it is harder to judge the effect of this acquisition than, for example, in the Renault case on page 130. However, if there had been any strong objections to the operation, other parties would probably have made known their reasons for objecting.)

The Commission has approved the acquisition by the US company Ford Motor Company of the UK based company Kwik-Fit plc. The operation concerns the sector for repair and maintenance of motor vehicles. However, given the minor overlaps between the parties' activities, their limited market shares and the existence of a sufficient number of competitors, the operation does not raise competition concerns.

Kwik-Fit is a UK based company active in the repair and maintenance of motor vehicles, in particular fast-fitting of tyres, exhausts and brakes, under the brand names "Kwik-Fit" (UK, Ireland, Belgium and the Netherlands), "Speedy" (France, Belgium, Spain and Switzerland) and "Pit-Stop" (Germany). Similar types of service can be performed by authorised Ford dealers acting as independent businesses. Ford is present on the market for repair and maintenance of motor vehicles through a limited number of fully-owned or jointly-owned dealerships. The parties have overlapping activities only in Belgium, Germany and the United Kingdom.

Given the minor overlaps and the parties' limited market shares, as well as the existence of a sufficient number of competitors, the Commission's view is that the operation will not create a dominant position as a result of which effective competition would be significantly impeded in the EEA or any substantial part of that area. For these reasons the Commission has decided not to oppose this operation and to declare it compatible with the common market. □