



MEDIA RELEASE

27 October 2022

CCCS Clears Proposed Acquisition by ContiTech Global Holding Netherlands B.V. of Trelleborg AB's Printing Solutions Business

1. The Competition and Consumer Commission of Singapore ("**CCCS**") has cleared the proposed acquisition by ContiTech Global Holdings Netherlands B.V. ("**ContiTech**") of 100% of the total issued shares in Printing Solutions Sweden Holding AB (the "**Target**") from Trelleborg AB ("**Trelleborg**") (collectively, the "**Parties**") (the "**Proposed Transaction**").
2. Following its assessment, CCCS has concluded that the Proposed Transaction, if carried into effect, will not infringe the section 54 prohibition of the Competition Act 2004 (the "**Act**").

Background

3. CCCS accepted the joint application from the Parties on 17 June 2022 for a decision on whether the Proposed Transaction would infringe section 54 of the Act, which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition ("**SLC**") within any market in Singapore.
4. In acquiring the Target, ContiTech will acquire Trelleborg's printing solutions business, which includes product offerings such as the development, manufacturing and supply of printing blankets for offset and digital printing, carrier sleeves for flexo printing, as well as a supplementary local Italian coated fabrics business (the "**Target Business**").

ContiTech

5. ContiTech is Continental AG's engineered rubber products group. Its key worldwide activities include the provision of advanced dynamic solutions, conveying solutions, industrial fluid solutions, mobile fluid systems, power transmission systems and components, and surface solutions. ContiTech's

surface solutions product offerings include the provision of printing solutions, such as the manufacturing and supply of printing blankets, as well as ancillary printing solutions like surface materials for decorative and technical applications, and assembled products. In Singapore, ContiTech supplies flat-backed/fabric printing blankets, self-adhesive blankets, conveyor belt systems, elastomer sheeting, fluid handling, power transmission and surface materials.

Trelleborg and the Target

6. Trelleborg provides engineered polymer solutions. Its key worldwide activities include the provision of industrial solutions, sealing solutions, wheel systems, printing solutions (i.e. the Target Business), offshore oil and gas solutions, and technical rubber products. In Singapore, Trelleborg supplies flat-backed/fabric printing blankets, self-adhesive printing blankets and engineered polymer solutions. Trelleborg also engages in the manufacturing of rubber fenders, trading and supply of rubber matting, marine applications, industrial tyres, and the supply of hydraulic seals, rotary shaft seals, o-rings, static seals, gaskets, oil seals and pneumatic seals in Singapore. The Target is a wholly-owned subsidiary of Trelleborg and only operates the Target Business.

CCCS's Assessment

7. As part of its assessment, CCCS conducted a public consultation from 28 June 2022 to 11 July 2022, and contacted 48 stakeholders including competitors and customers of the Parties.

Relevant Market Affected by the Proposed Transaction

8. While CCCS determined that it is not necessary to conclude on the precise definition of the relevant market, CCCS conducted the assessment of the Proposed Transaction based on the market for the global manufacturing and supply to Singapore and to worldwide of (i) offset printing blankets as a whole, and (ii) the specific overlapping types of offset printing blankets in Singapore (i.e. flat-backed/fabric printing blankets and self-adhesive printing blankets), with a focus on the flat-backed/fabric printing blanket market.¹

Competition Assessment

9. CCCS found that the Proposed Transaction is unlikely to give rise to a SLC in Singapore due to the following:

¹ The Parties had submitted that the supply of flat-backed/fabric printing blankets is the primary area of overlap in Singapore.

- a) Although the merged entity would become the largest player in the global manufacturing and supply of flat-backed/fabric printing blankets after the Proposed Transaction, there are suitable alternative suppliers including large global manufacturers in the market that customers in Singapore can easily switch to;
 - b) Barriers to new entry are likely to be moderately high, but manufacturers within the offset printing blanket industry are generally able to easily switch to produce different types of offset printing blankets, including flat-backed/fabric printing blankets;
 - c) There is likely to be sufficient spare capacity amongst existing competitors in the global production of offset printing blankets as well as flat-backed/fabric printing blankets to absorb demand from any customers switching away from the merged entity, which serves as a competitive constraint on the merged entity; and
 - d) It is unlikely that the Proposed Transaction will result in collusion between competing suppliers due to limited price transparency and ease of switching by customers.
10. Further information on the notification and CCCS's Grounds of Decision will be made available in due course on [CCCS's Public Register](#) at www.cccs.gov.sg.

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About the Competition & Consumer Commission of Singapore (CCCS)

The Competition and Consumer Commission of Singapore (“**CCCS**”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003 or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

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