

unlikely that the prior implemented mergers resulted in any input or customer foreclosure mainly due to relatively low market shares of the merged entity in both upstream and downstream markets.

### ***Coordinated effects***

14. The Commission considered whether the prior implemented transactions resulted in coordination in the market, as there are several cartel investigations in the corrugated packaging markets. Of note is that Mpact and RCC are directly implicated in these cartel investigations.
15. The Commission investigation of this merger found that it facilitated collusion between Mpact and RCC. The Commission notes that Mpact did not acquire sole control over RCC and as such Mpact and RCC did not constitute a single economic entity. The Commission further found evidence of collaboration between Mpact and RCC where prices, customers and volumes of corrugated packaging products were discussed. It should be noted that this is in a context where Rebel/Mpact did not exercise sole control of RCC and therefore could not have been part of a single economic entity. This therefore implies that Mpact and RCC were competitors that exchanged commercially sensitive information.
16. The Commission notes that in the merger between Rebel and Seyfert, which was recently prohibited, the same evidence was found. It should also be noted that even in that transaction, Rebel/Mpact implemented that transaction without notifying the Competition Authorities. In this transaction, like the Rebel/Seyfert merger, the Commission found that these transactions facilitated the collusion between Mpact and RCC in contravention of section 4(1)(b) of the Act.
17. Lastly, the Commission notes that although this assessment relates to RCC, Mpact has implemented various other similar transactions in Gauteng and the Western Cape. As such, considering the impact of all these transactions in totality, the Commission is of the view that there may have been a substantial effect in the market. Therefore, the Commission concludes that the collusive conduct by Mpact as a result of these mergers raised substantial competition concerns.

### ***Remedies***