

## **Board of Commissioners Order**

The following application was heard and an order made by the Board of Commissioners in relation to the Fair Competition Act 2009:

In an order dated the 26<sup>th</sup> of June 2018, in the **Application of Merger** between **Taylor Smith Shipyard (Seychelles) Limited and Naval Services Company Limited (Case No. – FCA 99)**, the Board of Commissioners gave its approval for the merging parties to proceed with the merger with conditions.

Taylor Smith Shipyard (Seychelles) Limited and Naval Services Company Limited lodged a notification of merger on the 29<sup>th</sup> of January, 2018 to create a joint venture between the entities in accordance with Section 22 (1) of the Fair Competition Act 2009. The relevant market for the merger is shipyard services for repair and maintenance of marine vessels.

As a requirement of Section 23 (1) of the Fair Competition Act 2009, the merging parties submitted that post-merger, the new venture will increase the market displacement weight to 1000 tons and below thereby creating a new market which was previously non-existent. The new entity will have the capacity of being a one-stop shop for companies seeking shipyard facilities for both industrial and leisure vessels.

Representing themselves, the applicants submitted further clarifications to the Board of Commissioners and provided assurances that the merger will not adversely affect the market for shipyard services for repair and maintenance of marine vessels.

For the Fair Trading Commission, the Competition Department submitted that prior to the matter being brought before the Board, it had conducted an analysis of the merger notification as required by Section 24 of the Fair Competition Act 2009. In its submission, the Competition Department sought approval of the proposed merger by the Board of Commissioners.

The Board of Commissioners deliberated on the matter and thereby approved the merger application with conditions filed by Taylor Smith Shipyard (Seychelles) Limited and Naval Services Company Limited.

**The parties are free to appeal against this ruling to the Appeal tribunal as per Section 44 of the Fair Trading Act 2009 and Section 77(1) Consumer Protection Act 2010.**

**Complete rulings of the Board of Commissioner can be accessed via website ([www.ftc.sc](http://www.ftc.sc)) or viewed at the FTC office.**