

Statement of Issues

Sika AG / MBCC Group

29 June 2022

Introduction

1. On 18 January 2022, we registered an application (the Application) for the proposed acquisition by Sika AG (Sika), via its wholly-owned subsidiary Sika International AG, of 100% of the shares in LSF11 Skyscraper Holdco S.à.r.l (the Target) (the Proposed Acquisition). The Target is the ultimate holding company of the MBCC group of companies (MBCC).¹ The Proposed Acquisition forms part of a global transaction which is currently being considered by other competition agencies.²
2. On 23 February 2022 the Commission decided to issue a Statement of Issues (Sol) due to concerns over the Proposed Acquisition. The Applicant indicated that it would offer a remedy to address those concerns. We stopped our administrative clock on 3 March 2022 while awaiting information from the Applicant. Sika has submitted a divestment undertaking (the Undertaking) to divest the entire NZ MBCC business (Divestment Business) (the Proposed Divestment).³ We restarted our administrative clock on 13 May 2022 to assess this proposal.
3. To clear an application the Commission must be satisfied that an acquisition would not have, or would not be likely to have, the effect of substantially lessening competition in a New Zealand market. This assessment takes into account any divestments offered.
4. This Sol sets out the potential competition issues we have identified following our initial investigation. This is so Sika and MBCC (the Parties) and other interested parties can provide us with submissions relating to those concerns and the Proposed Divestment.
5. In reaching the preliminary views set out in this Sol, we have considered information provided by the Parties and other industry participants. We have not yet made any

¹ A public version of the Application is available on our website at:
<http://www.comcom.govt.nz/clearances-register/>.

² For example, the Australian Competition and Consumer Commission, the European Commission and the US Department of Justice.

³ Sika – Letter to Commerce Commission on remedies – 28 March 2022.

final decisions on the issues outlined below (or any other issues) and our views may change, and new competition issues may arise, as the investigation continues.

The concerns we are testing

The issues for which we have concerns

6. The Parties are both global suppliers of chemical admixtures, including in New Zealand, Australia and the United States. Chemical admixtures are ingredients that are added to concrete to impart certain characteristics: for example, reducing the required water content for a concrete mixture or altering the setting rate of concrete. Based on the evidence currently before us, we consider that the appropriate market definition for these products is the supply of chemical admixtures in New Zealand.
7. At this stage, we are not satisfied that the Proposed Acquisition would not have or be likely to have the effect of substantially lessening competition for the supply of chemical admixtures in New Zealand due to horizontal unilateral effects. As noted above, Sika has proposed divesting the entire MBCC business in New Zealand to address this concern.
8. The current focus of our investigation is on whether the Proposed Divestment, as effected by the Undertaking, will mean that the Proposed Acquisition does not result in a substantial lessening of competition.

The issues for which we do not have concerns

9. The Parties both supply a range of construction material-related products which are referred to in the Application as “minor” and “de minimis” overlaps.⁴ At this point, we do not consider the Proposed Acquisition is likely to substantially lessen competition in relation to any of these products. We are therefore not planning any significant additional investigation into these products. For each product, the evidence currently suggests that MBCC is not a significant competitor to Sika and/or alternative suppliers remain. We summarise the reasons in relation to each product in Table 1 in **Attachment A**.
10. We are not planning to investigate further whether the Proposed Acquisition would substantially lessen competition due to coordinated, vertical or conglomerate effects in any market. The key reasons for this are:
 - 10.1 the Proposed Acquisition would cause such asymmetry in the market for chemical admixtures that it is unlikely the incentives of the remaining parties would be sufficiently aligned to coordinate;
 - 10.2 the Proposed Acquisition would not result in increased vertical integration as the Parties compete at the same level of the supply chain, nor is there any

⁴ The Application at [13.2]-[13.3].

evidence that the Parties, or other players within the industry, provide inputs to rivals; and

- 10.3 the merged entity would not be the only supplier of a “must have” product, and all suppliers appear to provide the same types of chemical admixtures to service all customer needs.
11. We do not discuss the above issues above further in this Sol. However, we invite submissions on our position.

Process and timeline

12. We have agreed with the Parties an extension of time from the initial 40 working day statutory timeframe until 4 August 2022 in which to make a decision.
13. The Commission would like to receive submissions and supporting evidence from the Parties and other interested parties on the issues raised in this Sol, including in relation to the effectiveness of the Proposed Divestment in addressing our preliminary concerns. We request responses by close of business on 13 July 2022, including a public version of any submission.
14. All submissions received will be published on our website with appropriate redactions.⁵ All parties will have the opportunity to cross-submit on the public versions of submissions from other parties by close of business on 20 July 2022.
15. If you would like to make a submission but face difficulties in doing so within the timeframe, please ensure that you register your interest with the Commission at registrar@comcom.govt.nz so that we can work with you to accommodate your needs where possible.

Background to the industry

16. The Proposed Acquisition relates to the manufacture and supply of chemical admixtures, which are ingredients that are used to modify the performance characteristics of concrete, cement or mortar. In New Zealand, both parties manufacture and supply a large range of chemical admixtures, together with other construction material-related products.

⁵ Confidential information must be clearly marked (by highlighting the information and enclosing it in square brackets). Submitters must also provide a public version of their submission with confidential material redacted. At the same time, a schedule must be provided which sets out each of the pieces of information over which confidentiality is claimed and the reasons why the information is confidential (preferably with reference to the Official Information Act 1982).

17. Admixtures are one of the five basic components of concrete, alongside cement, water, sand and aggregates.⁶ There are two main types of admixtures: chemical and mineral.⁷
18. Chemical admixtures are produced by mixing raw material inputs known as polymers. Both Parties import polymers from overseas and mix them in their New Zealand plants to create their own chemical admixtures, whereas other chemical admixture suppliers in New Zealand import the finished chemical admixture product from one of their plants overseas.
19. Customers are generally ready-mix producers and view chemical admixtures as a key ingredient that allows them to improve the performance characteristics of their concrete and differentiate it from rivals.
20. Although the Application identifies six categories of customers that the Parties supply to, direct sales to ready-mix concrete producers account for 90% of both Parties' customers in New Zealand.⁸ The Parties each supply one of the two biggest ready-mix concrete producers in New Zealand (Allied and Firth).⁹

Market participants

The merging parties

21. Sika AG is the ultimate parent company of Sika Group, a speciality chemicals group that is headquartered in Switzerland.¹⁰ Sika has subsidiaries in over 100 countries, and operates its New Zealand business through its subsidiary, Sika (NZ) Limited. Sika operates chemical admixture production plants in Auckland and Christchurch and supplies its products throughout New Zealand.
22. The Target is a holding company established in Luxembourg, whose only activity is holding and administering the shares in the MBCC Group of entities.¹¹ MBCC operates its New Zealand business through its subsidiary, MB Solutions New Zealand Limited. MBCC operates one chemical admixture plant in Auckland, from which it supplies its products throughout New Zealand.

Other suppliers of chemical admixtures

23. Other suppliers of chemical admixtures in New Zealand include:

⁶ The Application at [8.1].

⁷ Some properties of chemical admixtures can be achieved using mineral-based admixtures. However, there are material differences between the two. Mineral admixtures are generally cheaper but must be used in much larger quantities. Mineral admixtures are used in different applications. The Parties do not sell mineral admixtures. We do not consider mineral admixtures further.

⁸ The Application at [12.1(a)].

⁹ Allied purchases chemical admixtures from Sika and Firth purchases chemical admixtures from MBCC.

¹⁰ The Application at [2.1].

¹¹ The Application at [3.3].

- 23.1 *GCP Applied Technologies:*¹² GCP Applied Technologies (GCP) is an American headquartered company that operates throughout Europe, North America, Asia, Latin America and the Middle East. GCP is the third largest supplier of chemical admixtures in New Zealand. GCP is currently in the process of being acquired by French construction materials company Saint-Gobain.¹³
- 23.2 *Normet:*¹⁴ Normet is a Finnish headquartered company that operates in 33 countries worldwide. Normet specialises in mining and tunnelling projects and is supplying certain chemical admixtures for the City Rail Link Project in Auckland.¹⁵
- 23.3 *MC Bauchemie:*¹⁶ MC Bauchemie is a German company that operates in over 40 countries worldwide. MC Bauchemie specialises in producing building chemical products and technologies. MC Bauchemie currently supplies chemical admixtures to Hynds Pipe Systems Limited in Pokeno, New Zealand.¹⁷
24. The chemical admixtures for each of these suppliers are manufactured overseas and imported into New Zealand as a finished product.
25. The Application also identifies the following chemical admixture suppliers that could enter New Zealand:
- 25.1 *Saint-Gobain/Chryso:*¹⁸ Saint-Gobain is a French construction materials company that has recently acquired a French construction chemicals company called Chryso. Neither Saint-Gobain nor Chryso are currently active in the chemical admixtures market in New Zealand, however Saint-Gobain supplies abrasion products in New Zealand.¹⁹ As mentioned above, Saint-Gobain is currently in the process of acquiring GCP.
- 25.2 *Mapei:*²⁰ Mapei is an Italian company that operates in 36 countries worldwide. Mapei produces adhesives and chemical products for the building industry. While Mapei is not currently active in the chemical admixtures market in New Zealand, it is active in the building adhesives and sealants market through its subsidiary MBP (NZ) Limited.²¹

¹² <https://gcpat.com/en>

¹³ See for example GCP “GCP Applied Technologies Signs a Definitive Agreement to Be Acquired by Saint-Gobain” (6 December 2021) <www.gcpat.com>

¹⁴ <https://www.normet.com/>

¹⁵ The Application at [16.4].

¹⁶ <https://www.mc-bauchemie.com/>

¹⁷ The Application at Figure 6.

¹⁸ <https://www.saint-gobain.com/en>

¹⁹ The Application at Figure 6.

²⁰ <https://www.mapei.com/>

²¹ The Application at Figure 6.

The relevant markets

26. We define markets in the way that we consider best isolates the key competition issues that arise from a merger. In many cases this may not require us to precisely define the boundaries of a market. What matters is that we consider all relevant competitive constraints, and the extent of those constraints. For that reason, we also consider products and services that fall outside the market, but which would still impose some degree of competitive constraint on the merged entity.
27. When assessing relevant markets we consider:²²
- 27.1 whether customers could easily switch to alternative products in response to a price increase (known as ‘demand side’ substitution); and
 - 27.2 whether suppliers could easily switch their manufacturing capacity to produce different products (known as ‘supply side’ substitution).

Chemical admixtures

28. Sika submitted that the relevant market is the market for the supply of chemical admixture solutions in New Zealand.²³
29. At this stage, we agree with the Applicant that the relevant market is the market for the supply of chemical admixture solutions in New Zealand. Customers have consistently told us that they require a full range of admixtures, and that they prefer to purchase admixtures from a supplier whose products are readily available in New Zealand. Suppliers have told us that the same equipment is used to produce each type of admixture.

With and without scenarios

30. Assessing whether a substantial lessening of competition is likely requires us to compare the likely state of competition if the Proposed Acquisition proceeds (the scenario with the acquisition, often referred to as the factual) with the likely state of competition if it does not (the scenario without the acquisition, often referred to as the counterfactual) and to determine whether competition is likely to be substantially lessened by comparing those scenarios.
31. At this stage, we consider that the most competitive likely scenario without the Proposed Acquisition is the status quo, with MBCC continuing to operate independently from Sika.

Horizontal unilateral effects for chemical admixtures

32. Horizontal unilateral effects arise when a firm merges with or acquires a competitor that would otherwise provide a significant competitive constraint (particularly relative to remaining competitors) such that a market participant can profitably

²² Commerce Commission, *Mergers and Acquisitions Guidelines*, July 2019.

²³ The Application at [13.6].

increase prices above the level that would prevail without the merger (and/or reduce quality).

33. At this stage, we are not satisfied that the Proposed Acquisition would not have or be likely to have the effect of substantially lessening competition for the supply of chemical admixtures in New Zealand due to horizontal unilateral effects. At this stage, the evidence suggests:

- 33.1 Sika and MBCC are each other's closest competitor;
- 33.2 other rivals operate an import model which may be an inferior option for certain customers;
- 33.3 there are barriers to entry and expansion; and
- 33.4 countervailing power is unlikely to be sufficient to constrain the merged entity.

Closeness of competition between the merging parties

34. The evidence we have gathered so far indicates that Sika and MBCC are each other's closest competitor and that they impose a strong competitive constraint on one another:

- 34.1 both Sika and MBCC operate chemical admixture mixing plants in New Zealand and together account for a large share of the market (based on sales revenue), with Sika having a market share of around [] and MBCC around [] based on the Applicant's estimates;

- 34.2 some MBCC customers in the market identified Sika as their next best alternative and vice versa;²⁴ and

- 34.3 []²⁵ []²⁶

²⁴ For example, [] told us that if it was not with [] it would have to go with [], as it wants a New Zealand domiciled supplier (Commerce Commission interview with []; [] told us that if it was not with [] it would go with [] and GCP in that order (Commerce Commission interview with []); and [] said if it switched, it would be to [] or GCP (Commerce Commission interview with []).

²⁵ For example, []

²⁶ For example, []

35. Overall, we consider that both Sika's and MBCC's customers are likely to benefit from the constraint the Parties impose upon one another. The Proposed Acquisition will eliminate this constraint.
36. We invite submissions on the extent to which the Parties impose a competitive constraint on one another.

Constraint from existing competitors

Applicant's view

37. The Applicant submitted that the merged entity would continue to be constrained by other suppliers of chemical admixtures that import their chemical admixtures such as GCP. Sika argued that suppliers that offer an import model can compete effectively in New Zealand, despite not having a local manufacturing presence.²⁷
38. Sika also submitted that switching suppliers is easy and low-cost for customers, and that there are no material costs preventing a customer from moving to a new or existing supplier in the face of a price increase.²⁸

Our current view

39. Apart from Sika and MBCC, there are no other chemical admixture suppliers that operate mixing plants in New Zealand. All others operate an import model, where the chemical admixture is shipped in its final form.
40. Of these importers, GCP would be the merged entity's largest competitor. Other players that we understand supply smaller volumes into New Zealand include Normet and MC Bauchemie.
41. We are still considering whether importers can impose the same level of constraint as a supplier with a local mixing plant. Market participants have told us that importers may be at a disadvantage compared with the merged entity because:
- 41.1 importing the finished product is expensive as it means importing a large amount of water;²⁹
- 41.2 there is less flexibility because the supplier must decide the volumes (of each admixture type) it needs several months in advance, which in turn means they must carry more stock to avoid shortages;³⁰ and

²⁷ The Application at [19.4].

²⁸ The Application at [21.1]-[21.2].

²⁹ Commerce Commission interview with [].

³⁰ For example, [] told us that supply shortages affect its ability to finish projects (Commerce Commission interview with []); [] told us continuity of supply was a problem with the import model (Commerce Commission interview with []) and [] told us that some orders are taking six months to arrive (Commerce Commission interview with []).

41.3 a supplier without a local presence cannot provide customers the same level of advice and technical support.³¹

42. We invite submissions on the extent to which importers impose a competitive constraint on the merged entity.

Constraint from new entry

Applicant's view

43. According to the Application, there are no significant barriers to entry as the equipment required to supply in New Zealand is low-cost, there is low technical skill or know-how required and local production is not required to compete effectively.³²

Our current view

44. Current suppliers of chemical admixtures in New Zealand either: import the inputs and then mix them at a plant in New Zealand (Sika and MBCC are the only parties that do this currently); or import the finished goods.
45. The evidence we have gathered so far indicates that there may be barriers to setting up a mixing plant. We have been told that the necessary steps include finding the right location for the plant and sourcing skilled staff.³³ However, the main barrier to entry appears to be achieving sufficient customer volumes to justify establishing a local production plant. Some market participants noted that for a chemical admixture company to be viable in New Zealand, it would likely need to supply to either Firth or Allied.³⁴
46. The barriers to operating an import model are likely to be lower. Importers do not appear to face the same scale requirements as those operating a plant. This is evidenced by the existence of several smaller players operating import models. As noted above, we consider there are some disadvantages to operating an import model which means they may not impose the same constraint as a supplier operating a mixing plant in New Zealand.
47. We invite submissions on the conditions of entry and expansion to establish a chemical admixture plant in New Zealand.

³¹ Commerce Commission interview with []; Commerce Commission interview with [].

³² The Application [22.1]-[22.4].

³³ For example, [] told us that skilled people with the right technical expertise can be hard to source (Commerce Commission interview with []). Other barriers to entry include finding an appropriate piece of land from which you could supply the whole country and sourcing raw materials (Commerce Commission interview with []).

³⁴ Commerce Commission interview with [] and Commerce Commission interview with [].

Constraint from countervailing power

Applicant's view

48. The Applicant submitted that customers would continue to exercise significant countervailing power post-transaction because customers are very price sensitive, frequently test other suppliers' products and could sponsor entry or backwards integrate.

Our current view

49. At this stage we are not satisfied that countervailing power would be sufficient to prevent a substantial lessening of competition.
- 49.1 First, feedback from market participants indicates that sponsoring entry or self-supply is likely to be difficult and impose risks on the customer, suggesting that many customers are unlikely to view this as a viable option.³⁵
- 49.2 Second, such options only appear to be viable for the largest customers. Smaller customers will only get the benefit of this if a large customer actually sponsors entry or builds a mixing plant itself. If instead the large customer simply uses the threat as leverage to obtain lower prices, smaller customers will not be protected.
50. We invite submissions on the countervailing power of customers.

Summary of our current views on horizontal unilateral effects for chemical admixtures

51. We are not currently satisfied that the Proposed Acquisition would not result in a substantial lessening of competition in the supply of chemical admixtures in New Zealand. This is because Sika and MBCC are likely to impose a close competitive constraint on one another and we are not yet satisfied that this lost competition could be replaced through the combined constraint from:
- 51.1 current competitors;
- 51.2 entry and expansion; and
- 51.3 countervailing power.
52. We invite further information and submissions on these topics.

³⁵ Some customers noted that you would need to be of a particular size to credibly sponsor entry (Commerce Commission interview with [] and Commerce Commission interview with []). Some customers that we spoke with told us that self-supplying would be "too much of a distraction", "difficult", "of no benefit" or "not worth the risk" (Commerce Commission interview with []; Commerce Commission interview with []; Commerce Commission interview with [] and Commerce Commission interview with []).

The Proposed Divestment

53. As part of an application for clearance, an applicant may provide a written undertaking to sell assets or shares. If accepted by the Commission, this undertaking forms part of the clearance granted.³⁶ The Commission may accept a written undertaking if it is satisfied that the proposed acquisition, taking into account the written undertaking, is unlikely to substantially lessen competition. In other words, the undertaking must remedy any competition concerns identified by the Commission.
54. To assess whether a divestment remedies competition concerns, we consider all the relevant risks associated with any proposed divestment. We assess three kinds of risk associated with any divestment:
- 54.1 composition risk – the risk that the scope of any divestment undertaking may be too limited, or not appropriately configured, to attract a suitable purchaser or to allow a successful business to be operated in competition with the merged entity;
 - 54.2 asset risk – the risk that the competitiveness of a divested business will deteriorate prior to the completion of any divestment; and
 - 54.3 purchaser risk – the risk that there may not be a purchaser that is acceptable to us and/or the risk that the applicant has an incentive to sell to a party who would not be a strong competitor.

The Proposed Divestment and Sika's submission

55. As noted above, the Proposed Divestment would see Sika divesting the New Zealand MBCC business.³⁷ Sika submits that this will remedy all potential competition issues in all the relevant markets. As part of its application for clearance in Australia, Sika has offered an undertaking to the ACCC to divest MBCC's Australian business. Sika intends that the Australia and New Zealand MBCC businesses will be divested to the same buyer.
56. At this stage, Sika does not propose that a purchaser will be identified in advance of the Undertaking being entered into.

Composition risk

57. Sika submits that the Proposed Divestment will include all components necessary to maintain the current ongoing competitive operation of the business in New Zealand including:
- 57.1 the chemical admixture production facility located in Albany, Auckland;

³⁶ Commerce Act 1986, s 69A(3).

³⁷ Sika/MBCC – Submission on proposed remedy – 28 March 2022 at [1.2]

- 57.2 all fixtures, equipment, machinery and all other property of a tangible nature held by the Divestment Business (at its Albany production facility or otherwise stored at third-party storage facilities) for the purposes of carrying on the Divestment Business, including all mixing vessels, bulk storage, IBCs and pallet racking;
 - 57.3 all assets and equipment used by the Divestment Business that are located at MBCC customers' ready-mix sites, including all dispensing equipment, tanks and pumps;
 - 57.4 the rights to the necessary intellectual property rights and know-how used by the Divestment Business (either by licence or transfer of ownership);
 - 57.5 the contracts for MBCC NZ employees;
 - 57.6 all existing customer contracts, sales orders and purchase orders entered into by MBCC;
 - 57.7 all relevant supply agreements for both raw materials and finished products, as well as for warehousing and distribution of its products; and
 - 57.8 all customer records (current and historical), price lists, advertising or marketing materials, catalogues and mailing lists which are used by the Divestment Business.
58. To ensure the Divestment Business will continue its operations and competitiveness Sika submits that it will:
- 58.1 if required by the approved purchaser, agree and enter into a supply agreement (or agreements) with the approved purchaser to ensure the continuity of raw materials or finished products;
 - 58.2 if required by the approved purchaser, agree and enter into agreements to provide any transitional services to ensure that the approved purchaser is able to seamlessly take over the Divestment Business; and
 - 58.3 once the Commission has approved the purchaser, ensure the separation and transfer of the Divestment Business in a timely fashion and use best endeavours to ensure the approved purchaser has all necessary rights and consents required to operate the business.

Asset risk

59. Sika submits that there is low risk of the Divestment Business degrading prior to being transferred to the approved purchaser, but will hold separate the Proposed Divestment from the completion of the Proposed Acquisition until its sale to an approved purchaser to eliminate any perceived risk.

Purchaser risk

60. Sika submits that, given the interest that has been shown in the Proposed Divestment by potential purchasers, it is likely to reach agreement with a purchaser acceptable by the Commission to sell the Divestment Business.

Issues we are considering in relation to the Proposed Divestment

61. We are considering all three aspects of potential risks arising with divestment (ie, composition risk, purchaser risk, and asset risk). While we are assessing all aspects of the divestment at this point some of the issues we are focusing on are:
- 61.1 how the Proposed Divestment will ensure that the Divestment Business will have access to:
- 61.1.1 inputs and finished goods at the prices that MBCC would have enjoyed absent the Proposed Acquisition; and
- 61.1.2 research and development services that MBCC would have enjoyed absent the Proposed Acquisition;
- 61.2 how the Proposed Divestment will ensure key staff will remain with the Divestment Business;
- 61.3 ensuring that the time period after the Proposed Acquisition for the separation and transfer of the Divestment Business to an approved purchaser is reasonable and minimises the risk that deterioration could take place during this period, for example because:
- 61.3.1 the Divestment Business does not enjoy access to the goods and research and development services as set out in paragraph 61.1; and
- 61.3.2 customers switch away during the period; and
- 61.4 the likelihood that an acceptable purchaser of the Divestment Business will be found, including the extent to which it is necessary to identify a purchaser in advance of the Undertaking being accepted by the Commission.
62. We invite submissions on the extent to which the Proposed Divestment:
- 62.1 is likely to address the preliminary competition concerns described above; and
- 62.2 gives rise to any composition, asset and purchaser risks.

Next steps in our investigation

63. The Commission scheduled currently scheduled to decide whether or not to give clearance to the Proposed Acquisition by 4 August 2022.³⁸
64. As part of our investigation, we are identifying and contacting parties that we consider will be able to help us assess the issues identified above.

Making a submission

65. We are continuing to undertake inquiries and seek information from industry participants about the impact of the Proposed Acquisition. We welcome any further evidence and other relevant information and documents that the Parties or any other interested parties are able to provide regarding the issues identified in this Sol.
66. If you wish to make a submission, please send it to us at registrar@comcom.govt.nz with the reference "Sika / MBCC" in the subject line of your email, or by mail to The Registrar, PO Box 2351, Wellington 6140. Please do so by close of business on 13 July 2022.
67. All information we receive is subject to the Official Information Act 1982 (OIA), under which there is a principle of availability. We recognise, however, that there may be good reason to withhold certain information contained in a submission under the OIA, for example in circumstances where disclosure would be likely to unreasonably prejudice the commercial position of the supplier or subject of the information.

³⁸ The Commission maintains a clearance register on our website at <https://comcom.govt.nz/case-register/case-register-entries/verifone-new-zealand-smartpay-holdings-limited> where we update any changes to our deadlines and provide relevant documents.

Attachment A: Horizontal effects for “minor” and “de minimis” overlaps

68. The table summarises the reasons why at this point we consider the Proposed Acquisition is unlikely to cause a substantial lessening of competition for “minor” and “de minimis” overlaps. We invite submissions on these views.

Table 1: "Minor" and "de minimis" overlaps

Product	Reasons
Concrete works	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Several other rivals in market.
Premix mortars	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Several other rivals in market
Industrial flooring	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Several other rivals in market.
Foam expansion joints	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Several other rivals in market.
Elastomeric concrete	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Another rival in market and competing products can be sourced.
Sealants	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Several other rivals in market.
Fibre	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Several other rivals in market.
Silica fume	<ul style="list-style-type: none"> • MBCC’s small presence in New Zealand. [] • Another rival in the market.