

Brussels, 28 October 2010

## **Mergers: Commission approves joint-venture between EADS and ATLAS for maritime safety and security systems**

*The European Commission has cleared under the EU Merger Regulation the creation of a joint venture between EADS Defence & Security SAS of France and Atlas Elektronik GmbH of Germany in the sector of maritime safety and security systems ('MSS'). After examining the operation, the Commission concluded that the transaction would not significantly impede effective competition in the European Economic Area (EEA) or any substantial part of it.*

EADS DS is a French-based system solutions provider for armed forces and civil security worldwide that belongs to the EADS group. It is active in the MSS sector through its subsidiary Sofrelog SAS.

Atlas is a German-based supplier of electronics and other equipment in the naval systems sector. It is jointly controlled by ThyssenKrupp Technologies AG ("TKT") and EADS Deutschland GmbH, which belongs to EADS group. Atlas is also active in the MSS sector through its subsidiary Atlas Maritime Security GmbH..

MSS systems are land based vessel traffic and security systems for coastal waters, waterways and harbours. They are composed of industrial, hardware and software components, in particular radars and sensor packages and can be divided into Vessel Traffic Services ('VTS') systems, used to ensure navigational safety in a predefined geographic area (safety segment of MSS systems), and coastal surveillance systems ('CSS') used to control and secure maritime borders against threats, such as smuggling and illegal immigration (security segment of MSS).

The proposed joint-venture would merge Sofrelog and Atlas Maritime Security in order to develop, sell and operate VTS and CSS systems.

The Commission found that the planned transaction will not raise any competition concerns, neither in the overall market for MSS nor in the possible sub-markets for CSS and VTS. The parties' market shares are limited in MSS and in the CSS segment worldwide and at the EEA level. In the VTS segment, the market investigation confirmed that in spite of significant market shares worldwide and in the EEA, the joint-venture will continue to face a number of strong European and third country competitors. The joint-venture will also be constrained by the buyer power of sophisticated customers (mainly public authorities) which rely on open world-wide tender procedures to ensure effective competition.

The transaction was notified to the Commission on 24 September 2010.

More information on the case is available at:

[http://ec.europa.eu/competition/elojade/isef/case\\_details.cfm?proc\\_code=2\\_M\\_5936](http://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=2_M_5936)