

## **The Hungarian Competition Authority (GVH) approved new concentrations**

**Similarly to the above-mentioned cases (Vj-66/2010, Vj-62/2010), the GVH did not find objectionable the proposed concentration of Wallis Asset Management Zrt. (Wallis Zrt.) and NAV-Invest Kft. (NAV-Invest).**

Wallis Zrt is one of the 116 undertakings that belong to the Wallis undertaking-group, pursues a wide range of activities and has previously possessed 49% of the shares of NAV-Invest. Wallis Zrt acquired the remaining 51% of the shares from Marivaux Investment Ltd, while NAV-Invest still operates controlling and holding functions as a subsidiary of Wallis Zrt. Within the framework of NAV-Invest group it is only Navigator Informatika Zrt, which is engaged in business activity. The undertaking is present on the markets of outsourced informatics services (IT outsourcing) and repairing and engineering services in connection with telecommunications systems, while the undertaking is playing an active role in the field of communications services (telecommunications and Internet) and retail purchasing of IT devices for customers.

When evaluating the possible effects of the transaction the GVH considered the following circumstances. The above-mentioned segments of the IT sector are not regarded as highly concentrated markets, competitors supply services with the same features, e.g. content, price and quality and price plays usually a decisive role. In addition these markets are mainly focused on demand-side and not supply-side services. As regards all of its activities, NAV-Invest faces a competitor that realizes a significantly higher net turnover and disposes a huge circle of customers. In contrast to that, Wallis Zrt did not realize any turnover on the above-mentioned segments of the IT sector, therefore a horizontal overlap between the two undertakings cannot be recognised. With regard to many services provided by NAV-Invest, Wallis Zrt was a client of the undertaking and covered a slight but not significant part of its distribution. It is beyond question that Wallis Zrt provides a massive investor background for NAV-Invest, but on the one hand, NAV-Invest has already possessed the above-mentioned background prior to the concentration, and on the other hand, other competitors also bear a background that is well capitalized.

Taking into account all the circumstances, the GVH came to the conclusion that the proposed concentration would not result in harmful effects on the markets concerned.