
Eramet gets EU clearance to buy Tinfos

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It is reported that French nickel and manganese group Eramet won European Commission clearance to buy Tinfos AS of Norway on Friday, a deal boosting Eramet's position in manganese alloys through an output increase of over 20%.

EC in a statement said that "The Commission's investigation has found that the proposed transaction would not impede effective competition in the European Economic Area or any substantial part of it."

The Commission said the companies' activities overlapped in the production and distribution of manganese alloys but their combined market shares in 2007 for manganese alloys was 7% worldwide and less than 20% at EEA level. In addition, there are strong competitors in the market.

It said that the transaction gave rise to a limited vertical overlap between the upstream market of manganese ores and downstream market of special steel products. However, the Commission found that the proposed concentration would not give rise to any competition concerns on these markets.

Eramet announced in April an agreement with the major shareholders of the family controlled firm, who will own some 2.4% of Eramet after the cash and share deal, which has an enterprise value of EUR 593 million.

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