

Anticipated Acquisition by XSYS Germany Holding GmbH of certain entities and assets comprising the MacDermid Graphics Solutions business

Decision on relevant merger situation and substantial lessening of competition

ME/7116/24

Summary

1. On 1 September 2024, XSYS Germany Holding GmbH (**XSYS**) agreed to acquire the MacDermid Graphics Solutions business, which comprises MacDermid Graphics Inc. and MacDermid Graphics Solutions Europe SAS, together with their direct and indirect subsidiaries and certain assets held by other affiliates of MacDermid, Incorporated (**MGS**) (the **Merger**). The Competition and Markets Authority (**CMA**) has concluded that it has jurisdiction to review this Merger because a relevant merger situation has been created.
2. XSYS and MGS overlap in the manufacture and supply of flexographic printing plates. Flexographic printing plates are used to transfer ink and images onto flexible printed materials such as corrugated packing boxes, labels, or food packaging.
3. The CMA has found that the aggregate value of the market for flexographic printing plates in the UK is below £30 million. The CMA also considers that (i) the Merger is not one of a potentially large number of similar mergers that could be replicated across the sector and (ii) the Merger is not in a sector which relates to any CMA priority areas or other areas of potential importance.
4. As a result, the CMA believes that the market(s) concerned is/are not of sufficient importance to justify a reference and has decided to exercise its discretion under

section 33(2)(a) of the Enterprise Act 2002 (the **Act**) not to refer the Merger (the '**de minimis**' exception). The CMA did not have to conclude on whether the Merger gives rise to a realistic prospect of a substantial lessening of competition (an **SLC**) in the market(s) concerned because, even if the duty to refer is met, then the discretion under the 'de minimis' exception would be applied.

5. The Merger will therefore **not be referred** under section 33(1) of the Act.