

## **OFFICE FOR COMPETITION**

6 June, 2011

### **Comp-CCD/28/11 – International Game Technology/Entraction Holding AB**

**Decision on acquisition in terms of regulation 12(4) of the Control of Concentrations Regulations (LN 294 of 2002 as subsequently amended)**

**The Office for Competition,**

**Having considered the notification of 9 May, 2011 pursuant to regulation 5 of the Control of Concentrations Regulations,**

**Having considered the provisions of the Control of Concentrations Regulations,**

**Having considered Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation EC No. 139/2004**

#### **Facts**

1. On 9 May, 2011, Goldcup 6663AB<sup>1</sup> notified the Office for Competition with a public tender, whereby on the 5 May, 2011, International Game Technology (hereinafter referred to as "IGT") made a recommended cash offer to the shareholders in Entraction Holding AB (hereinafter referred to as "Entraction") to acquire all outstanding shares in Entraction, through IGT's wholly owned Swedish subsidiary Goldcup (hereinafter referred to as "Notifying Party").
2. The filing and the acceptance of such notification was notified to the public through a public notice in the Government Gazette number 18, 749, on 13 May, 2011 and a notice that appeared in a local newspaper on 13 May, 2011.

#### **Parties**

3. The Notifying Party is a company registered under the Laws of the Kingdom of Sweden, with registration number 556850-8856 having its registered office at C/O Mannheimer Swartling Advokatbyrå, Box 1711, SE-11187, Stockholm, Sweden. Its parent company IGT, a company incorporated in the United States and listed on NYSE, having its registered office at 6355 South Buffalo Drive Las Vegas, designs develops and manufactures gaming machines and systems products, as well as online and mobile gaming solutions and casino content for online gaming suppliers.

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<sup>1</sup> The parties subsequently informed the Office for Competition that the company Goldcup 6663AB changed its name to Eagle Ice AB

4. Entraction is a publicly listed company, traded on NASDAQ OMX First North Premier Stockholm, incorporated under the Laws of the Kingdom of Sweden with registration number 556367-2913 and having its registered office at Box 7645-SE-103 94 Stockholm, Sweden. Entraction develops and markets systems and software directly or through subsidiaries, in order to provide customized business solutions for digitally distributed gaming entertainment and publishing services.

#### **Notifiable Concentration**

5. The notified operation whereby the Notifying Party acquires sole control of Entraction, is a concentration within the meaning of regulation 2 (d) (ii) of the Regulations on the Control of Concentrations.
6. Regulation 2(d) (ii) refers to the acquisition by one or more undertakings or by one or more persons already controlling at least one undertaking, whether by purchase of securities or assets, by contract or by any other means, of direct or indirect control of the whole or parts of one or more undertakings.
7. In this case, the proposed concentration is the acquisition of sole control by IGT through its subsidiary Goldcup of Entraction by public tender.

#### **Threshold for Notification**

8. The aggregate turnover of the undertakings concerned in the preceding financial year exceeds 2.33 million Euro and each of the parties concerned had a turnover in Malta equivalent to at least 10% of the combined aggregate turnover of the undertakings concerned.
9. The notified concentration, therefore, meets the notification threshold as set out in regulation 2(d) of the Regulations.

#### **Simplified Procedure**

10. After examination of the notification it is considered that, the notified concentration falls within the scope of the Regulations on Control of Concentrations, 2002 and of regulation 12(1) thereof whereby it is provided that:

*“The simplified procedure will apply to the following categories of concentrations that are deemed not to raise serious doubts as to their legality in terms of the provisions of these regulations...:”*

*(iii) two or more undertakings merge, or one or more undertakings acquire sole or joint control of another undertaking and two or more of the parties to the concentration are engaged in business activities either in the same product and geographical market and their combined market share is less than 15% ...”*

## **Conclusion**

For the above mentioned reasons and in terms of regulation 12(4) of the Regulations on Control of Concentrations, 2002 it is therefore decided:

- (1) that although the Concentration falls within the scope of these Regulations, the Concentration does not raise serious doubts as to its lawfulness;
- (2) not to oppose the Concentration; and
- (3) declares it to be a lawful Concentration

**Dr Sylvann Aquilina Zahra**  
Director General (Competition)