

**In the Matter of the Proposed
Acquisition by Johnsonville
International, LLC of Shares in Frabelle Corporation** **MAO Case No. M-2019-008**
X-----X

COMMISSION DECISION NO. 14-M-008/2019

This is a review of the proposed acquisition by Johnsonville International, LLC (“Johnsonville”) of shares in Frabelle Corporation (“Frabelle”, and together with Johnsonville, the “Parties”), pursuant to Sections 16 and 17 of Republic Act No. 10667 and Section 1, Rule 4 of the Rules and Regulations to Implement the Provisions of Republic Act No. 10667.

Upon review of the findings and recommendation of the Mergers and Acquisitions Office and the Parties’ submissions, the Commission finds that the proposed acquisition by Johnsonville of shares in Frabelle (the “Transaction”) will not likely result in substantial lessening of competition. This is because post-Transaction, (1) Frabelle’s production volume in the candidate relevant market for sausages is negligible, such that even if combined with the pre-existing production volume of Johnsonville, will not or is not likely to result in a significant change in market structure; (2) the resulting change in the market shares of the Parties in the alternate candidate relevant market for hotdogs and sausages is minimal; and (3) the Transaction does not strengthen the ability or incentive of the Parties to engage in input or customer foreclosure in the market for the provision of cold storage warehousing in the Caloocan, Malabon, Navotas, and Valenzuela (CAMANAVA) area.

ACCORDINGLY, the Commission resolves to take no further action with respect to the proposed Transaction between Johnsonville and Frabelle.

This Decision is rendered solely on the facts disclosed and circumstances of the proposed Transaction and documents submitted by Johnsonville and Frabelle.

7 May 2019



ARSENIO M. BALISACAN
Chairman



JOHANNES BENJAMIN R. BERNABE
Commissioner



AMABELLE C. ASUNCION
Commissioner



MACARIO R. DE CLARO, JR.
Commissioner

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