



REPUBLIC OF THE PHILIPPINES

PHILIPPINE COMPETITION COMMISSION

6/F DAP Building, San Miguel Avenue, Ortigas Center, Pasig City 1600

COMMISSION DECISION No. 36-M-032/2017
Acquisition by TQMP Glass Manufacturing Corp. of AGC Flat Glass
Philippines, Inc. and Republic Asahi Realty Corporation
M-032/2017

The Commission,

Having regard to the acquisition by TQMP Glass Manufacturing Corp. of AGC Flat Glass Philippines, Inc. and Republic Asahi Realty Corporation ("Transaction"),

Having regard to Section 16 and 20 of Republic Act No. 10667 and Section 1, Rule 4 of the Rules and Regulations to Implement the Provisions of Republic Act No. 10667,

Has adopted this Decision:

WHEREAS, the Transaction was notified to the Commission for review and competition concerns were identified arising from the Transaction at the end of Phase I review such that a favorable decision cannot be issued, particularly, there were concerns on potential input foreclosure in the downstream wholesale supply market of clear and bronze float glass;

WHEREAS, the Parties were issued a Phase II Notice and Request for Additional Information ("Phase II Request") on 11 October 2017;

WHEREAS, the acquiring party, TQMP Glass Manufacturing Corp. and its ultimate parent entity Mr. Paul Go (the "Acquiring Party"), sought to address the competition concerns identified by proposing voluntary commitments to remedy, mitigate or prevent the negative effects on competition resulting from the Transaction;

WHEREAS, the Acquiring Party submitted their proposed undertaking to the Commission on 19 October 2017. After several discussions with the Commission's staff, a final undertaking was executed and submitted on 1 December 2017 ("Undertaking");

WHEREAS, the Commission considered the Undertaking appropriate and sufficient to remedy, mitigate, or prevent the competition concerns raised during the review;

RESOLVED THEREFORE, that the Commission will take no further action with respect to the Transaction, subject to the following conditions:

- I. The Acquiring Party shall comply with their obligations under the Undertaking and submit the reports to the Commission as provided thereunder;
- II. The Acquiring Party shall cause, post-Transaction, AGC Flat Glass Philippines, Inc. to set prices and provide services to customers in a fair, reasonable, and non-discriminatory manner, and maintain a non-discriminatory practice in the processing of purchase orders and delivery of products and services;
- III. Post-Transaction, the Acquiring Party shall cause AGC Flat Glass Philippines, Inc. to sell its products or services to glass distributors on terms no less favorable than similarly situated customers despite i.) such person being a competitor of AGC Flat Glass Philippines, Inc.'s customer which is a related company or ii.) such person purchasing products or services from the competitors of AGC Flat Glass Philippines, Inc. subject to Section 15(e)(1) of Republic Act No. 10667;
- IV. The Acquiring Party shall not impose discounts or rebates that are exclusionary or result in foreclosure. Such discounts or rebates shall be made known to customers at the start of every year;
- V. The Acquiring Party shall report to the Commission, in an expeditious manner, any application with any government agency for the imposition or extension of any duties or quotas that may affect the prices of imported clear or bronze float glass.

This Decision was entered into without adjudication of any issue of fact or law, and without this Decision constituting evidence against or admission by any party regarding any issue of fact or law.

Any breach of the conditions set forth herein will subject the Acquiring Party to fines, additional remedies, and such other measures as the Commission may deem necessary, including nullification of this Decision.

DONE, this 1st day of December 2017, in the City of Pasig, Philippines.



ARSENIO M. BALISACAN

Chairman



JOHANNES BENJAMIN R. BERNABE

Commissioner



STELLA LUZ A. QUIMBO

Commissioner



AMABELLE C. ASUNCION

Commissioner