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Australian Competition and Consumer Commission Mergers Public Register

Acquirer:	Maxi-Cube Limited
Target:	Freighter Australia
Initiation:	Parties
Market Definition:	Manufacture of semi-trailers. Customers are transport operators like Linfox.
Merger Type:	Horizontal
Guidelines Thresholds:	Below
Imports Above 10%:	No
Summary:	Maxi-Cube proposes to acquire Freighter Australia

Competition Analysis:

Maxi-Cube and Freighters both manufacture semi-trailers. Maxi-Cube specialises in solid-walled trailers, particularly refrigerated products. Its main rival in this area is FTE. Freighters specialises in curtain-sided trailers, and its main rival is Krueger. The parties submit that Maxi-Cube and Freighters operate in different markets for Trade Practices Act purposes, and therefore the merger does not raise any competition issues.

The information available appears to indicate that semi-trailer manufacturers face competition from 'back yard operators' who manufacture relatively simple products and compete on the basis of price. Entry into the more complex products sector appears to be more difficult.

Enquiries with market participants including transport operators generally indicate that the merger does not raise concerns because there are other manufacturers of semi-trailers.

Outcome:	Not Opposed	Resolution:	N/A
Date Raised:	03-Dec-1997	Date Closed:	14-Jan-1998
