PHILIPPINE COMPETITION COMMISSION
Ensuring businesses compete and consumers benefit

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PRESS RELEASE
2 October 2018

PCC approves joint venture between Rockwell Land and Carmelray Holdings for S. Luzon luxury residential dev't project

The Philippine Competition Commission (PCC) has approved the joint venture between Rockwell Land Corporation, Carmelray Property Holdings, Inc., San Ramon Holdings, Inc. CVY Property Holdings, Inc., and other individual proprietors.

The other investors include Juan Miguel V. Yulo, Maria Rosario Y. Ng, Maria Cristina Y. So, Maria Luisa Y. Teehankee and Carmen V. Yulo to engage in the development of a mixed-use development with residential, commercial and retail components through the joint venture project in Laguna.

Rockwell, San Ramon, CVY, JMV Yulo, MY Ng, MCY So, MLY Teehankee and CV Yulo shall invest in the project through the purchase and subscription of shares in JV Co.

According to the Commission decision made on September 27, 2018, the Mergers and Acquisitions Office (MAO) of the PCC found that the transaction does not result in substantial lessening of competition in the real estate market.

"The transaction does not result in the substantial lessening of competition in the relevant market of luxury residential developments in Region IV," the PCC decision read.

No horizontal overlaps were found between the parties and there were sufficient number of other competitors in the said market.

To date, there are 158 merger filings by local and international companies, with a combined worth of P2.541 trillion. The Rockwell Land-Carmelray Holdings joint venture is the 148th transaction approved by PCC.

PCC Joint Venture Guidelines

The joint venture project between Rockwell Land-Carmelray Holdings follows the PCC's Guidelines on Notification of Joint Ventures released last month which offered clarification and explanation on (i) joint ventures; and (ii) the application of the thresholds under the Implementing Rules and Regulations to joint ventures.

“The JV guidelines provide ample guidance to the parties on how they should assess their transaction. It demonstrates how PCC is attuned to the realities of how corporations are run—in particular, when control of a company is shared between two or more shareholders,” said PCC Chairman Arsenio M. Balisacan.

Joint ventures and other similar kinds of collaborative agreements are used to conduct business projects to generate economic benefits through pooling of assets, skills and resources. The benefits include streamlined processes, eliminated redundancies and cost savings to market players.

The PCC recognizes that joint ventures can result in business efficiencies but the Commission is also mindful that such agreements may pose competition concerns when they may result in a substantial lessening of competition (SLC) in the relevant market.

The Commission will consider each joint venture with due regard to the attendant circumstances, including the information available and the time constraints, and will apply these guidelines flexibly, or where appropriate, deviate therefrom.

PCC, the country’s anti-trust body, is mandated under the Philippine Competition Act to review mergers and acquisitions to ensure that these deals will not harm the interest of consumers.

Joint Venture Guidelines: **https://www.phcc.gov.ph/guidelines-for-joint-ventures/**

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