



MEDIA RELEASE

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ACCC will not oppose QANTM-Xenith merger

The ACCC will not oppose the proposed merger between QANTM Intellectual Property Limited (ASX: QIP) and Xenith IP Group Limited (ASX: XIP).

QANTM and Xenith are holding companies of intellectual property (IP) businesses and their merger would combine the second and third largest suppliers of IP services in Australia into one group.

The ACCC's investigation focussed on competition in the supply of Australian IP services, such as patents, trademarks, designs and plant breeder's rights.

"We consulted with a large number of market participants and most customers did not express concerns," ACCC Chair Rod Sims said.

"For patent services, corporate customers rely on the expertise and infrastructure of large IP firms, such as those within QANTM and Xenith, to handle their work in complex technology areas and to manage their volume of patent filings. The merged QANTM-Xenith would have a market share of about 30 per cent of total patent filings. However, we found that a number of alternative firms are likely to continue to provide sufficient competitive constraint on the merged entity."

"Trademark services require less technical expertise than patent services, and therefore we believe several IP firms and commercial law firms are viable alternatives for customers, providing a competitive constraint. We also found no competition concerns in relation to designs services or plant breeder's rights services."

The ACCC is also reviewing IPH's acquisition of a 19.9 per cent interest in Xenith, and its proposal to acquire 100 per cent of Xenith.

"If there are competing proposals to buy a company, the ACCC reviews the proposals separately. This decision on QANTM-Xenith should not be interpreted as suggesting a particular decision in the IPH-Xenith matter, and we have yet to make a decision in the IPH-Xenith matter," Mr Sims said.

Further information is available on the ACCC website.

Background

Intellectual property services are services associated with the registration, protection, commercialisation, enforcement and management of intellectual property rights.

QANTM is an ASX-listed holding company of a group of businesses that supply intellectual property services to Australian and international clients. In Australia, QANTM's IP businesses include Davies Collison Cave and FPA Patent Attorneys.

Xenith is an ASX-listed holding company of a group of businesses that supply intellectual property services to Australian and international clients. In Australia, Xenith's IP businesses include Griffith Hack, Shelston IP, Watermark Intellectual Property and Glasshouse Advisory.

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