



## COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2016/08/421)

Dated: 07.11.2016

### Notice under Section 6(2) of the Competition Act, 2002 jointly given by TDY Industries LLC and General Electric Company

#### CORAM:

Mr. Devender Kumar Sikri  
Chairperson

Mr. S. L. Bunker  
Member

Mr. Sudhir Mital  
Member

Mr. Augustine Peter  
Member

Mr. U. C. Nahta  
Member

Dr. M. S. Sahoo  
Member

**Legal Representatives of the parties:** M/s AZB and Partners

#### Order under Section 31 (1) of the Competition Act, 2002

1. On 17.08.2016, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) jointly given by TDY Industries LLC (“**TDY**”) and General Electric Company (“**GE**”) (hereinafter TDY and GE are collectively referred to as the “**Parties**”). The notice has been filed pursuant to execution of a Master Agreement dated 18.07.2016 between Allegheny Technologies Inc. (“**ATI**”) and GE.
2. The proposed combination relates to the creation of a joint venture company (“**JV**”) by ATI (through its wholly owned subsidiary, TDY) and GE (hereinafter referred to as “**Proposed Combination**”) that will: (a) test and develop infrastructure, intellectual property and technology related to the production, marketing and sale of titanium alloy



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powders through an emerging and developing process (“**JV Process**”); and (b) subsequently commercialize, produce, market and sell titanium alloy powders and develop novel titanium alloys. The Proposed Combination involves (i) exclusive licensing of intellectual property relating to the JV Process by GE to the JV for a limited term; and (ii) transfer of a lease by ATI at fair market value to the JV in respect of certain land in U.S.A for development of JV facility. The Proposed Combination meets the notification thresholds prescribed under Section 5(a) of the Act read with sub-regulation (9) of Regulation 5 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011.

3. Parties submitted the revised confidentiality claim on 24.10.2016.
4. GE, headquartered in New York and listed on the New York Stock Exchange, is a global, diversified manufacturing, technology and services company. It is engaged in various businesses including manufacture of appliances for business, appliances for consumers, aviation, consumer electronics, power, power project consulting services, energy management, healthcare, home, housewares, industrial solutions, intelligent platforms, lighting for business, lighting, etc. GE offers several products/services in India, including capital investment services, healthcare services, technology offerings in the transportation sector and power generation.
5. TDY, a wholly owned subsidiary of ATI, is a limited liability company formed under the laws of California, U.S.A. TDY produces, converts and sell a wide range of high-performance materials, including titanium and titanium-based alloys, nickel- and cobalt-based alloys and super alloys etc. As submitted by the Parties, TDY ships certain titanium alloy mill products into India.
6. The Commission noted that at present GE does not operate in the business of production or/and sale of titanium or related products in India or at a worldwide level while TDY ships certain titanium alloy mill products into India. Accordingly, the Commission observed that the Proposed Combination does not involve any horizontal overlaps. As regards vertical relationships between the JV and the Parties, the Commission noted that the Proposed Combination does not result in any vertical linkages in India. Further, since



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the activities of the JV will be carried outside India, there is no change in the level of concentration in the Indian market.

7. The Commission observed that considering the greenfield nature of the JV and lack of horizontal and vertical linkages between the activities of the Parties and the JV in India, the Proposed Combination is not likely to cause any change in the competition dynamics of any related market in India.
8. Considering the facts on record and details provided in the Notice given under sub-section (2) of section 6 of the Act and assessment on the basis of factors stated in sub-section (4) of section 20 of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have appreciable adverse effect on competition in India and therefore, hereby approves the same under sub-section (1) of section 31 of the Act.
9. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.
10. The information provided by the Parties is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
11. The Secretary is directed to communicate to the Parties accordingly.