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Konkurransetilsynet  
Oslo

Dato: 27-04-05

Saksnr.:

Arkivnr.:

Oslo, 27. april 2005

Ansv. Advokat: Harald Evensen  
Vår ref.: 235518 - 1

## ALMINNELIG MELDING OM FORETAKSSAMMENSLUTNING

Vedlagt oversendes på vegne av Honeywell International Inc. alminnelig melding om foretakssammenslutning.

Dersom Konkurransetilsynet skulle ha spørsmål med hensyn til meldingen, vennligst ta kontakt med undertegnede eller advokat Harald Evensen.

Med vennlig hilsen  
ADVOKATFIRMAET SELMER DA



Katrine A. Furulund  
Advokatfullmektig

For Harald Evensen  
Advokat

**FORM FOR STANDARDIZED NOTIFICATION OF CONCENTRATIONS  
PURSUANT TO SECTION 18 OF THE NORWEGIAN COMPETITION ACT**

**1. Notifying party(ies)**

**1.1 Notifying party**

|                                 |                                |
|---------------------------------|--------------------------------|
| <b>Company name</b>             | Honeywell International Inc.   |
| <b>Company registration no.</b> | N/A                            |
| <b>Address</b>                  | 101 Columbia Road, PO Box 2245 |
| <b>Postal code</b>              | NJ 079962-2245                 |
| <b>Place</b>                    | Morristown, USA                |
| <b>Telephone no.</b>            | +1 973 455 5674                |
| <b>Telefax</b>                  | +1 973 455 5904                |
| <b>E-mail</b>                   | Gary.Zanfagna@honeywell.com    |

**Contact person at Honeywell:**

|                      |                                |
|----------------------|--------------------------------|
| <b>Name</b>          | Gary Zanfagna                  |
| <b>Position</b>      | Chief Antitrust Counsel        |
| <b>Address</b>       | 101 Columbia Road, PO Box 2245 |
| <b>Postal code</b>   | NJ 079962-2245                 |
| <b>Place</b>         | Morristown, USA                |
| <b>Telephone no.</b> | +1 973 455 5674                |
| <b>Telefax</b>       | +1 973 455 5904                |
| <b>E-mail</b>        | Gary.Zanfagna@honeywell.com    |

**Representative in Norway:**

|                      |                           |
|----------------------|---------------------------|
| <b>Name</b>          | Harald Evensen            |
| <b>Position</b>      | Lawyer - External Counsel |
| <b>Address</b>       | Selmer<br>PO Box 1324     |
| <b>Postal code</b>   | N-0112 OS LO              |
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**1.2 Other notifying party**

N/A

## 2. *Other undertakings concerned*

### 2.1 *Other undertaking concerned*

**Company name** Hesta Verwaltungs und Beteiligungs GmbH

**Company registration no.** Hesta Verwaltungs und Beteiligungs GmbH is a newly formed company; the registration number is not available to Honeywell.

## 3. *The type of concentration*

*Merger*

*Acquisition* ✓

*Other (specify)*

On 11 April 2005 Honeywell entered into an agreement with Hesta AG for the acquisition of 100% of the shares of a newly formed Swiss holding company, Hesta Beteiligungs und Verwaltungs GmbH (as well as its subsidiaries and some assets), which together form the business of Zellweger Analytics.

## 4. *The structure and area of activity of the undertakings*

### **Honeywell International Inc.**

Honeywell is an advanced technology manufacturing company supplying customers world-wide with aerospace products and services, automotive products, electronic materials, specialty materials, performance polymers, transportation and power systems, home and building controls, and industrial controls.

Honeywell operates world-wide through four divisions: (i) Aerospace Solutions (ii) Transportation & Power Systems (iii) Specialty Materials and (iv) Automation and Control Solutions.

*Aerospace Solutions division* supplies aircraft engines, equipment, systems and services for commercial transport, regional, general aviation and military aircraft. Honeywell also provides repair and overhaul services; aerospace consumable spare parts, hardware and logistics support; and management and technical services for space and communications facilities.

*Transportation & Power Systems produces turbochargers and thermal systems* for passenger cars, light trucks and commercial vehicles and manufactures and markets friction materials, consumer-branded automotive products for the aftermarket consumer, as well as for automotive equipment manufacturers and installers.

*Specialty Materials business* serves diverse market segments including automotive, healthcare, agricultural, electronic and food packaging, air conditioning and refrigeration,

security coding, lubricants, paper and packaging etc. with specialty materials such as nylon, polyester, polyethylene, fluorocarbons, caprolactam and Specialty and electronic materials.

Of relevance to the current transaction is, if at all, Honeywell's *Automation and Control Solutions (ACS)* division. ACS offers products and services in the areas of heating; ventilation; humidification and air-conditioning equipment controls; security and fire alarm systems; home automation systems; energy-efficient lighting controls; and building management systems and services. Honeywell ACS also supplies sensors, switches, and control products for industrial applications.

Honeywell is not currently active in the supply of gas detection equipment.

### **Zellweger Analytics**

Zellweger Analytics is a business division of the Swiss group Zellweger Luwa AG, which is a globally active industrial group headquartered in Uster, Switzerland.

The target business, Zellweger Analytics, manufactures and sells throughout the world gas detection equipment for the protection from harmful concentrations of flammable gases, toxic gases and oxygen concentrations. The two main manufacturing sites are located in Illinois, USA and Poole, Dorset, UK. In addition, the design and production of certain products is outsourced to primarily Chinese companies.

Zellweger Analytics is divided under seven main businesses which are:

- Lumidor - portable and fixed station hazardous atmospheric monitors in North America
- MDA Scientific - gas detection solutions for the semiconductor industry
- Neotronics - portable gas detection solutions outside of North America
- Sieger – gas detection solutions for the petrochemical industry
- Zareba - fixed gas detection equipment for general industrial applications
- SF Detection – CO detectors for use in homes
- Sixth Sense – CO detection cells

None of the Zellweger Analytics businesses overlap horizontally with Honeywell's businesses.

In Norway, Zellweger Analytics is only active in the supply of gas detection solutions for the petrochemical industry.

## 5. *Turnover and operating result*

|  | Company name                              | Turnover (in thousands) | Operating result (in thousands) |
|--|---|-------------------------|---------------------------------|
| Notifying party (from item 1.1):             | Honeywell International Inc. <sup>1</sup> |                         |                                 |
| Other notifying party (from item 1.2):       |   |                         |                                 |
| Other notifying party (if applicable):       |   |                         |                                 |
| Other undertaking concerned (from item 2.1): | Zellweger Analytics <sup>5</sup>          |                         |                                 |
| Other undertaking concerned (from item 2.2): |   |                         |                                 |
| Other undertaking concerned (if applicable): |   |                         |                                 |

## 6. *Markets affected by the concentrations*

There are no horizontal overlaps between Honeywell's and Zellweger Analytics' businesses. Zellweger Analytics' business will complement the activities of Honeywell's Life and Safety Products Group which is active in the supply of fire alarm systems, smoke detectors, security and access control systems and CCTV (closed-circuit television). All of these activities are aimed at protecting human life as well as valuable property. However, the application (the use) of the different product of Honeywell on the one hand and Zellweger on the other hand are different and the corresponding technologies used are distinct.

## 7. *Annual reports and accounts*

<sup>1</sup> The figures provided are for the entire Honeywell group.

<sup>2</sup> According to the 2004 average exchange rate of 1 USD = 6.7372 NOK as published by Norges Bank.

<sup>3</sup> According to the 2004 average exchange rate of 1 USD = 6.7372 NOK as published by Norges Bank.

<sup>4</sup> Net income as published in Honeywell Annual Report for 2004.

<sup>5</sup> The figures provided cover the ad hoc financial statement prepared for the Zellweger Analytics division.

<sup>6</sup> According to the average exchange rate for 2004 of 1 CHF = 5.422 NOK as published by Norges Bank.

<sup>7</sup> According to the average exchange rate for 2004 of 1 CHF = 5.422 NOK as published by Norges Bank.

<sup>8</sup> Net result as calculated in ad hoc Financial Statement for 2004 for Zellweger Analytics division.

The 2004 Annual Report of the Honeywell group is hereby attached.

The Zellweger Luwa group is a privately held company and does not publish an Annual Report. Attached as **Annex 1**, please find the ad hoc Financial Statement of the Zellweger Analytics division for 2004.

#### **8. Other information**

The transaction does not give rise to any horizontal overlaps between the Honeywell group and Zellweger Analytics. The purpose of the transaction is merely for Honeywell to expand its Life and Safety Products group into the gas detection sector on a worldwide basis.

Hence, the below description of the market where Zellweger Analytics is active is provided to the Competition authority for its better understanding of the parties' activities in Norway only.

The Sieger division in some instances supplies gas detection solutions for the petrochemical industry to Honeywell's ACS division, which provides safety systems to petrochemical plants. As part of the overall safety equipment for a petrochemical plant, the installation owner usually installs a gas detection system, which monitors whether the gas levels at any place of the installation exceed a certain level which gives rise to an explosion danger. In case of a potentially harmful incident the gas detection system sends a standard analogue signal to the safety system which in turn monitors that none of the processes carried out at the installation leads to risks of over-heating, explosion danger or other dangers. Although in some instances customers prefer to purchase full-range safety systems (including gas detection), customers more commonly buy such systems separately. This is possible since the standardized signal emitted by gas detection systems can be processed by any safety system available in the market. To purchase gas detection systems separately from the safety system is the buying pattern prevailing in Norway. The vertical relationship between Honeywell and Zellweger Analytics is, therefore, very limited and does not apply to Norway.

The activities of the two parties in the area of safety systems for the petrochemical industry in Norway can be briefly described as follows:

- In 2004, Honeywell achieved a turnover of approximately [REDACTED] from the supply of safety systems (excluding gas detection systems) to petrochemical plants in Norway. Honeywell estimates to hold a [REDACTED] share of the corresponding market segment. Key competitors of Honeywell include ABB, Triconex, HIMA and Yokogawa as well as others.
- Zellweger Analytics achieved a turnover of approximately [REDACTED] with the supply of gas detection equipment to petrochemical plants in Norway. Zellweger Analytics estimates to hold a [REDACTED] share of the corresponding market segment. Key competitors of Zellweger Analytics in Norway include Simrad, which has a position similar to that of Zellweger Analytics, as well as Dräger, MSA and others.

For the above reasons, Honeywell submits that the proposed transaction does not give rise to the creation, let alone strengthening of a dominant position in any market in Norway. Consequently, Honeywell kindly requests the Norwegian Competition Authority to clear the transaction on the basis of this short form notification.

**9.     *Publicity***

The Financial Statement of Zellweger Analytics as well as the turnover information and market share estimates contained in chapters 5 and 8 constitute business secrets of the parties and shall not be disclosed to the public.

**10.    *Signature***

Oslo, 27. april 2005

A handwritten signature in black ink, reading "Katrine A. Furulund". The signature is written in a cursive style with a large, looping initial 'K'.

Katrine A. Furulund  
Advokatfullmektig

For Harald Evensen  
Advokat