

**COMPETITION TRIBUNAL OF SOUTH AFRICA**

**Case no: LM141Nov25**

In the large merger between:

**Agrifriend Equipment (Pty) Ltd (trading as  
Senwes Equipment)**

Primary Acquiring Firm

And

**AMC Equipment (Pty) Ltd in respect of a portion  
of its operational business**

Primary Target Firm

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Panel:	I Valodia (Presiding Member) A Ndoni (Tribunal Member) G Budlender (Tribunal Member)
Heard on:	17 February 2026
Order issued on:	26 February 2026
Last Submission:	18 February 2026
Reasons Issued on:	17 March 2026

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**REASONS FOR DECISION**

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**Introduction**

- [1] On 26 February 2026, the Competition Tribunal (“Tribunal”) unconditionally approved the large merger wherein Agrifriend Equipment (Pty) Ltd, trading as Senwes Equipment (“Senwes”), intends to acquire AMC Equipment (Pty) Ltd in respect of a portion of its operational business (“AMC Business”).
- [2] Upon implementation of the proposed merger, Senwes will exercise sole control over the AMC Business.

## **Parties to the transaction and their activities**

### *Primary acquiring firm*

- [3] The primary acquiring firm is Senwes, a private company incorporated in South Africa. Senwes is controlled by Senwes Limited, a public company which is in turn controlled by Agribel Holdings Limited (“Agribel”). Agribel is not controlled by any firm(s).
- [4] Other than Senwes Limited, Agribel does not control any other firms.
- [5] In addition to Senwes, Senwes Limited controls various firms including Falcon Agricultural Equipment (Pty) Ltd, Hinterland Holdings (Pty) Ltd and Senwes Capital (Pty) Ltd.
- [6] Senwes does not control any firms.
- [7] Agribel, Senwes Limited, Senwes and all the firms they each control are collectively referred to as the “Acquiring Group”.
- [8] The Acquiring Group operates across various market segments including supply of grain, agricultural equipment and services, seed, chemicals, fuel, fertilisers and credit and insurance.
- [9] Senwes is active in the supply of agricultural, construction, forestry, residential, golf and turf equipment and implements. Senwes is also active in the provision of aftermarket service including maintenance and spare parts.
- [10] Relevant to the proposed merger, Senwes holds equipment dealership agreements exclusively with John Deere in designated areas of responsibility (“AORs”). Senwes operates in the North-West, Free State, Gauteng, Northern Cape, Eastern Cape and the Western Cape.

### *Primary target firm*

- [11] The primary target firm, is the AMC Business, which is incorporated in South Africa and controlled by Northern Cape Farmers Investments (Pty) Ltd.

[12] The AMC Business does not control any firms.

[13] The AMC Business operates in the Northern Cape and Free State supplying agricultural, forestry and construction equipment (new and used), precision agriculture technology, parts and maintenance, after-sales support, workshops and financial solutions.

[14] The AMC Business additionally holds equipment dealership agreements exclusively with John Deere in designated AORs.

### **Description of the transaction and rationale**

[15] In terms of the proposed merger, Senwes intends to acquire the AMC Business. The AMC Business comprises the personnel, operating systems, customer data, selected working capital and the workshops,

[16] Post-merger, Senwes will solely control the AMC Business.

[17] In relation to the rationale, the merging parties submitted that John Deere intends to allocate the Northern Cape dealership AORs to Senwes under its business strategy, which seeks fewer, larger and more capable franchises with the capital and systems to invest in IT, precision agriculture and infrastructure to improve service quality. From AMC's perspective, its John Deere dealership will be rendered non-viable once the month-to-month dealership agreement terminates and it would otherwise exit the market. The transfer of the AMC Business to Senwes ensures its continuity of employment and services.

[18] From the perspective of Senwes, acquiring AMC as a going concern is preferable to starting up a greenfield dealership.<sup>1</sup>

### **Competition assessment**

#### *Horizontal assessment*

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<sup>1</sup> Commission's recommendation, para 9.

[19] The Competition Commission (“Commission”) considered the activities of the merging parties and concluded that the proposed merger results in horizontal overlaps between the parties, as they are both active in the retail supply of agricultural, construction and forestry equipment.

[20] The Commission however found that the proposed merger does not raise any geographic overlaps, because the merging parties are allocated in specific geographic AORs, in terms of the franchise agreement where they operate their respective dealerships.

[21] The Commission relied on the merger between *AFGRI Equipment (Pty) Ltd and AGRICO (Pty) Ltd*,<sup>2</sup> wherein the Tribunal confirmed that the allocation of AORs “is an industry wide phenomenon” carried out by competitors of John Deere equipment, and that this does not raise competition concerns because the allocation of AORs is not merger specific and will continue absent the merger.

[22] The Commission also considered the merger between *AFGRI Agri Services (Pty) Ltd and MAS Corporation (Pty) Ltd*,<sup>3</sup> where the Commission found that there was no geographic overlap because the merging parties’ dealerships were located 100 kms away from each other.

[23] In the proposed merger, the Commission found that Senwes operates two dealerships in the Northern Cape (located in Hartswater and Kuruman). The Commission’s findings are briefly set out below.

23.1. The Senwes dealership in Hartswater is located 106 km away from the nearest AMC business dealership located in Barkly West.

23.2. The Senwes dealership in Kuruman is located 199 km away from the nearest AMC Business dealership situated in Douglas and Barkly West.

[24] The AMC Business also operates one dealership in Luckhoff in the Free State which is located approximately 99.6 km away from the nearest Senwes dealership in the Free State located in Petrusberg.

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<sup>2</sup> Case No. LM031May16.

<sup>3</sup> Case No. LM139Dec24.

[25] We enquired about how the AORs are determined and operate. In response, the Commission submitted that each franchisee of John Deere is appointed to operate a dealership within a specifically allocated geographic area. [REDACTED]

[REDACTED]

[26] The merging parties submitted that the allocation of AOR is determined by John Deere and in practical terms, the extent of the AOR is defined geographically by reference to administrative boundaries being local municipalities, rather than by radius measurements. [REDACTED]

[REDACTED]

[27] [REDACTED]

[REDACTED]<sup>6</sup>

[28] [REDACTED]

<sup>4</sup> Letter from the Commission dated 18 February 2026, para 4.

<sup>5</sup> Email correspondence from the merging parties dated 18 February 2026.

<sup>6</sup> Letter from John Deere submitted by the merging parties on 23 February 2026.

<sup>7</sup> Letter from John Deere submitted by the merging parties on 23 February 2026.

[29] The Commission also engaged customers who indicated that the maximum distance they are willing to travel to procure agricultural, construction and forestry equipment is between 30 and 60 km. Additionally, customers contacted by the Commission did not raise any concerns and confirmed that they procure agricultural, construction and forestry equipment from their nearest dealerships.

[30] We further requested the Commission to provide more substantive research which supports its findings in relation to the maximum distances which customers are willing to travel. In response, the Commission submitted that given the absence of publicly available empirical research the Commission engaged customers who indicated that the relevant distance was approximately 30 – 60 km.<sup>8</sup>

[31]



*Vertical assessment*

[32] The Commission found that there is a pre-existing vertical relationship between the merging parties namely that Senwes and the AMC Business exchange inventory when one of them does not have stock available.

[33] The merging parties submitted that they may transfer inventory (such as a particular machine, tractor or other equipment) if one dealership does not have the required item in stock.

[34] The Commission noted that this occurs as a result of the dealership agreements the merging parties have with John Deere. Considering this, the Commission did not investigate the pre-existing relationship any further.

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<sup>8</sup> Letter from the Commission dated 18 February 202, para 8.

<sup>9</sup> Letter from John Deere submitted by the merging parties on 23 February 2026.

[35] Based on the above, we are of the view that the proposed merger is unlikely to substantially prevent or lessen competition in any relevant market(s).

## **Public interest**

### *Employment*

[36] The merging parties submitted that the proposed merger will have no adverse effect on employment in South Africa. In particular, there will be no retrenchments or job losses as a result of the proposed merger.

[37] The Commission engaged the registered trade unions and employee representatives representing the merging parties' employees and no employment related concerns were raised.

[38] Based on the above, we are of the view that the proposed merger is unlikely to have a negative impact on employment.

### *Promotion of a greater spread of ownership*

[39] Senwes has a shareholding by historically disadvantaged persons ("HDPs") of 7.08% whereas the AMC Business does not have any shareholding by HDPs.

[40] Based on the above, the Commission found that the proposed merger will promote a greater spread of ownership by HDPs.

[41] We are of the view that the proposed merger raises no substantial issues regarding the promotion of a greater spread of ownership.

[42] No other public interest issues arise.

## **Conclusion**

[43] For the reasons set out above, we are satisfied that the proposed merger is unlikely to substantially prevent or lessen competition in any relevant market and the proposed merger does not raise public interest concerns.

[44] We therefore unconditionally approved the proposed merger.

Signed by: Imraan Valodia  
Signed at: 2026-03-17 11:23:53 +02:00  
Reason: Witnessing Imraan Valodia

*Imraan Valodia*

**17 March 2026**

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**Prof. Imraan Valodia**

**Date**

**Adv. Geoff Budlender SC and Ms Andiswa Ndoni**

Tribunal Case Manager: Tarryn Sampson  
For the Merging Parties: Andries Le Grange and Christopher Kode of Cliffe  
Dekker Hofmeyr Inc.  
For the Commission: Nhlakanipho Mbhense and Betty Mkatshwa