

Metallurgy buyout raises competition concerns

Press release

The CMA has found that Tronox's anticipated purchase of TTI raises competition concerns in the supply of chloride slag and titanium dioxide pigment.



Both companies are involved in the supply of materials used in the production of titanium dioxide, a white powder found in every-day items such as paint, sunscreen, paper and plastics. TiZir Titanium & Iron (TTI) is one of the 2 main global suppliers of chloride slag, one of the most important minerals used to make titanium dioxide pigment and Tronox is one of the main producers of titanium dioxide pigment.

The Competition and Markets Authority's (CMA) initial, Phase 1, investigation found that Tronox intends to use all of TTI's chloride slag in its own production of titanium dioxide and halt future sales of chloride slag to third parties. This would leave Rio Tinto, TTI's main chloride slag competitor, with what is effectively a monopoly position.

The CMA has found that the removal of TTI as a main competitor from the market could significantly limit customer supply and lead to higher prices for chloride slag globally, as well as for titanium dioxide in the UK and Europe. Although other minerals are available to make titanium dioxide, the CMA found that customers have limited substitutes for chloride slag.

Andrea Gomes da Silva, the CMA's Executive Director for mergers and markets said:

Our investigation showed that Tronox's purchase of TTI removes a key player in the global supply of chloride slag which, in turn, could have a knock-on effect on the creation of titanium dioxide pigment.

Any deal that leaves one company as the only significant supplier in a market deserves closer scrutiny and, in this case, the acquisition could leave buyers and their customers facing higher prices.

Tronox now has the opportunity to address the CMA's concerns within 5 working days. If they are unable to do so, the deal will be referred for an in-depth, Phase 2, investigation.

For more information, visit the Tronox Holdings plc / TiZir Titanium and Iron merger inquiry [case page](#).

Notes to editors:

1. Tronox is headquartered in Connecticut, USA, and listed on the New York Stock Exchange. Tronox's activities in the UK include the operation of a titanium dioxide pigment facility in Lincolnshire.
2. TiZir Titanium & Iron is part of the wider TiZir business owned by Eramet, a global mining and metallurgical group, listed on the Euronext Paris Stock Exchange. TTI owns and operates a titanium feedstock smelter in Norway which upgrades titanium and iron ilmenite into feedstock.
3. With media queries, contact the CMA press office via press@cma.gov.uk or on 020 3738 6460.

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