Subject to various conditions, the Autorité de la concurrence authorises the acquisition of the Arrivé group by the LDC group

Published on November 30, 2009

The *Autorité de la concurrence* has closely examined the LDC group's acquisition of the Arrivé group, both of which are active in the animal feed and poultry sectors.

While the operation results in no competition problem in the first sector, the *Autorité* has on the other hand found that it significantly strengthens the presence of the LDC group at several points along the production and marketing chain for poultry meat and poultry-based products.

Eventually, the Autorité de la concurrence has authorised the operation, subject to commitments intended to remedy the identified competition problems.

LDC's commitments

• On the markets for the production and marketing of fresh poultry meat

LDC and Arrivé own several poultry slaughterhouses in the West, Auvergne-Bourgogne and Southwest regions. They both market chicken, turkey, duck, guinea fowl and rabbit meat to agro-food industries, professionals in the dining-out sector (local and regional administrations, restaurants, etc.), specialty butchers and supermarkets.

The acquisition of the Arrivé group significantly strengthens the LDC group's market power relative to the latter two groups of buyers, notably with regard to chicken sold under a label of quality, with LDC already owning the ***Loué*** brand and acquiring, through the Arrivé group, the ***Saint-Sever*** brand.

LDC has therefore undertaken to sell the assets of the Fermiers Landais group, and therefore the ***Saint-Sever*** brand owned by the Arrivé group, so as to reduce the accumulation of market shares both with regard to the collection of poultry intended for slaughterhouses in the Southwest and the marketing of labelled poultry meat to specialty butchers and supermarkets.

• **On the markets for products based on poultry meat**

At the end of the operation, the LDC group shall have appreciably strengthened its position with all products prepared on the basis of poultry meat, notably cooked products (roasted chickens, breaded chicken, poultry snacks...). While significant competitors remain in each of these markets (Doux, Gastronome, Duc), none of them holds positions that are as strong and with such a broad assortment of products.

To avoid this position in any way undermining competition relative to the sales of these products to supermarkets, the LDC group has undertaken not to grant discounts linked to the simultaneous purchase of several types of products, nor to make the referencing of one brand a condition for the referencing of another brand.

> To consult the full text of decision 09-DCC-67