2 September 2010: Milk collection and manufacturing of cheeses

Published on September 16, 2010

The *Autorité de la concurrence* authorizes the purchase of the Entremont group by the Sodiaal agricultural cooperative

> *Version française*

The Autorité de la concurrence has just issued a decision in which it authorizes the Sodiaal agricultural cooperative (Yoplait, Candia, RichesMonts brands) to purchase the Entremont group active in the milk collection and cheese manufacturing sector.

The new entity's market power will remain limited on the milk collection market

With the acquisition of the Entremont group, Sodiaal becomes the number 2 in the milk collection market in France, behind the Lactalis group. The suppliers with which this cooperative will have to deal in this market are nevertheless its own members, and the Autorité has recalled that this context would provide a balance in the relations between sellers and buyer, with farmers benefiting from their position as members and from the securing of their outlets.

The operation will not affect competition on the market for cheese sales

The market analysis has shown that the business overlap between Sodiaal and Entremont in the cheese markets will remain limited. The only segment in which the new entity will have significant market shares is that of "raclette" style cheese sold under a distributor brand. The Autorité considered that in view of the purchasing power of mass retail distribution when faced with the

manufacturers of distributor brands, this position was not likely to affect competition.

> Please consult the full text of the decision 10-DCC-110 of 1 September 2010