

10 May 2012: Food retail

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The *Autorité de la concurrence* clears, subject to commitments, the acquisition in Martinique of two hypermarkets by the Parfait group.

> *Version française* 

The *Autorité de la concurrence* has issued a decision clearing, subject to commitments, the acquisition by the Parfait group of two hypermarkets, currently operated under the *Leclerc* brand name in Lamentin (Martinique), and a logistics platform.

The Parfait group is active in Martinique and Guadeloupe, where it controls several subsidiaries in the car and food distribution sectors. Among others, it operates the Hyper U La Galléria and Hyper U Le Rond Point hypermarkets, respectively located at Lamentin and Fort-de-France.

The companies operating the target stores have been placed into receivership further to a decision of the Fort-de-France commercial court dated 22 February 2011. The takeover bids filed by the Parfait group were accepted under a court decision on 13 January 2012.

The *Autorité* has identified competition concerns

Considering the location of the two target superstores, the *Autorité* deemed that the customer catchment area included the superstores located in the municipalities of Fort-de-France, Schoëlcher, Le Lamentin, Ducos and Le Robert. In this area, the *Autorité* observed that the operation would significantly consolidate the position of the Parfait group, which would have controlled four

out of nine hypermarkets, against three for the Bernard Hayot group and two for the Ho Hio Hen group. The operation thus raised serious competition concerns by limiting the diversity of supply and reducing competitive pressure on prices.

The Autorité has cleared the operation subject to commitments

In order to address the risks to competition set out above, the Parfait group has committed to reduce the sales area of the Long Pré hypermarket to modify its competitive positioning and adapt it to local demand. This commitment preserves the competitive balance as regards hypermarkets while expanding the offer as regards supermarkets, a market on which the Parfait group was not active.

> Full text of Decision 12-DCC-59 of 4 May 2012 will soon be published on our website

> Press contact: André Piérard / Tel: (+33) 1 55 04 02 28 / Mel