1 February 2013: Complementary social protection organisations

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The Autorité de la concurrence fines Réunica for having breached the notification requirement of a merger project

> ***Version française***

The Autorité de la concurrence just issued a ruling in which it imposed a fine of €400,000 on the Réunica group for failing to notify the merger with the Arpège group prior to the transaction being carried out.

The lack of notification concerning the merging of the Réunica and Arpège groups

The Réunica and Arpège social protection groups, which manage complementary retirement schemes, health insurance and benefit institutions, merged their human and material resources and their decision-making bodies on 1 January 2010, without notifying this project to the Autorité de la concurrence.

However, taking into account the turnover generated by the two groups[1], the latter were required to submit the transaction to the Autorité de la concurrence for examination before it was carried out.

In the case in point, the merger took effect on 1 January 2010 and Réunica only informed the Autorité de la concurrence in April 2010 that the merger had been carried out.

The Réunica group cannot have been unaware that this transaction was subject to review by the Autorité de la concurrence. Indeed, the group has notified the Autorité two other mergersover the past five years, namely the creation of the Réunima joint venture with Groupama in 2007 and the merger with the Bayard group in 2008[2].

A fine of €400,000

Failure to comply with the notification requirement concerning a merger denies the Autorité de la concurrence any possibility of controlling a merger project prior to its completion, and this, whatever its potential effects on competition.
Nevertheless, the Autorité de la concurrence took into account the fact that the Réunica group quickly and voluntarily approached it after the transaction was carried out. The merger, which did not raise any competition issues, was authorised[3].

Consequently, the Autorité de la concurrence has imposed a fine of €400,000 on the Réunica group.

(1) Article L. 430-1 of the Commercial Code stipulates that a merger transaction must be subject to the control of the Autorité de la concurrence as soon as the turnover of the new entity is greater than €150M and the turnover of each of the parties to be merged is greater than €50M each.
(2) This transaction had already been carried out without prior notification to the minister for the economy, competent with regard to the control of mergers at that time.
(3) In a ruling on 19 March 2012 (12-DCC-36 in French), the Autorité de la concurrence authorised the transaction.

> Full text of Decision13-D-01 of 31 January 2013 on the situation of the Réunica and Arpège groups with regard to I of article L. 430-8 of the Commercial Code (in French)

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