

# **The Autorité de la concurrence penalises Castel Frères, via its parent company, Copagef, for failing to notify the acquisition of companies in the Patriarche Group prior to the transaction being carried out**

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The *Autorité de la concurrence* has just issued a decision whereby it fines Copagef, Castel Frères's parent company, 4 million euros for failing to submit the acquisition of six companies in the Patriarche Group (hereinafter referred to as "Patriarche") to the examination of the Autorité prior to the transaction being carried out.

## **The *Autorité* was informed that the merger had been carried out via third party**

On 6 May 2011, Castel Frères (hereinafter referred to as "Castel") bought six Patriarche companies without notifying this transaction to the *Autorité de la concurrence*.

It was only in September 2011, in the context of the examination of the acquisition of Quartier Français Spiritueux by Cofepp, that this acquisition was reported to the Investigation Services of the *Autorité de la concurrence* by a third party.

Further to this information, the *Autorité* reached out to Castel and found that its turnover was above the threshold making it mandatory to have the transaction examined by the *Autorité*.

## **Castel was aware of this serious offence**

Although the merger was finally notified and cleared by the *Autorité de la concurrence* (see decision 12-DCC-92 and press release of 2 July 2012), it remains true that failing to notify a merger is a serious offence as it precludes merger control.

In this particular case, the infringement the Castel group is accused of is all the more unjustifiable as it is explained by a strategy whose sole purpose was the rapid completion of the merger. The Castel group deliberately avoided to verify whether the merger was to be controlled, even though this obligation was stated in the protocol regarding the acquisition and that it was in a position to carry out such verification.

> See full text of decision 13-D-22 of 20 December 2013 regarding the situation of the Castel Group in the light of article 430-8 of the Commercial Code