Acquisition of a Casino hypermarket located in the Troyes urban area: The Autorité de la concurrence opens an in-depth examination phase

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The *Autorité de la concurrence* opens an in-depth examination phase for the acquisition of a Casino hypermarket located in the Troyes urban area by Soditroy (Leclerc) and the Association des Centres Distributeurs E. Leclerc.

Soditroy (hereinafter "Soditroy") and the Association des Centres Distributeurs E. Leclerc (hereinafter "ACDLec") notified the *Autorité de la concurrence* of the joint takeover of a Casino hypermarket, located in the Troyes urban area (10).

Parties to the transaction

Soditroy is owned by a member of the E. Leclerc movement, which operates another hypermarket also located in the Troyes urban area (10).

ACDLec is the body that defines the strategy of the E. Leclerc movement. Its members are the natural persons managing the companies operating E. Leclerc stores.

The store acquired is a hypermarket, operated by the retailer Géant Casino, located in the municipality of Barberey-Saint-Sulpice, in the Troyes urban area (10).

Phase 1 investigation

In its examination of this transaction, following several consultations with market stakeholders, the *Autorité* considered that the planned transaction, which would merge companies operating competing hypermarkets in the outskirts of Troyes, warranted an in-depth examination phase (Phase 2). For consumers in the Troyes urban area, the transaction will lead to the disappearance of a retailer (Casino) and a risk of reduced competition between the two main hypermarket retailers in the area (Carrefour and E. Leclerc).

Opening this in-depth examination will require that the *Autorité* rule on the effects of this transaction on the local food distribution markets.

Issues studied

During its in-depth examination, the *Autorité* will conduct an extended consultation with market stakeholders (competitors, retailer suppliers, etc.).

In particular, the *Autorité* will extend competitive analysis of the retail food distribution markets with regard to local characteristics and the capacity of established stakeholders or new entrants to exert sufficient competitive pressure on the parties.

Attention will also be paid to the risks of economic dependency for local suppliers, who may be deprived of an important alternative outlet as a result of the transaction.

Provisional timetable

The applicable regulatory instruments call for merger examinations to be conducted, in principle, within 65 working days of Phase 2 initiation, although this period may be extended if necessary.

The initiation of a Phase 2 examination does not prejudice the existence or otherwise of anti-competitive effects or the outcome of the request for clearance of the merger.

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