The Autorité de la concurrence clears, without commitments, the acquisition of sole control of Sinoué group by Orpea group

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On 20 March 2020, the Orpea group notified the Autorité de la concurrence of its plan to acquire sole control of the Sinoué group.

Parties to the transaction

The Orpea group is a multidisciplinary health group comprising nursing homes, assisted living facilities, follow-up care and rehabilitation clinics, psychiatric clinics or at home. The Sinoué group specializes in mental health (psychiatry) and follow-up care and rehabilitation. The companies involved in the transaction are simultaneously active in the psychiatry and follow-up care and rehabilitation markets.

The Autorité de la concurrence examined the delimitation of the relevant markets and was therefore led to interview the actors in the concerned markets: the Agences Régionales de Santé (regional health agencies), public and private establishments including private non-profit establishments.

The responses received during the investigation led to maintain the delimitation chosen by the existing practice in the follow-up care and rehabilitation market.

The specific delimitation of the market for the supply of psychiatric care in private clinics

On the other hand, the specificities of the market for psychiatric care, notably due to the monopoly of public establishments in the area of compulsory hospitalisation and their geographic sectorisation differing from that of private establishments, led the Autorité to consider a segmentation between the private offer and the public offer, contrary to what is chosen by the national decision-making practice for the other segments of the offer for diagnostics and hospital care market.

Furthermore, the particular nature of private non-profit establishments, whose operation brings them closer to private lucrative establishments while their financing brings them close to that public establishments, has led the Autorité to consider that they must be distinguished, for the needs of this decision, of the establishments of the parties concerned.

The competitive analysis of the transaction in the market for the supply of psychiatric care was thus carried out not only by taking into account the global offer, but also by taking into account the different segmentations distinguishing the public offer and the private offer, on the one hand, and distinguishing the private non-profit offer and the private lucrative offer, on the other hand.

The lack of impact of the transaction on the competition structure

On the merits, the Autorité considers that the transaction will not change the competitive structure of the market segments of psychiatry and follow-up care and rehabilitation insofar as the acquisition of sole control of the Sinoué group by the Orpea group will not generate any vertical or conglomerate effect and where their combined market shares are less than 16%. Even with choosing a

conservative approach which would consist in distinguishing public establishments from private establishments for the general psychiatry sector, the combined market shares will remain limited.

This transaction was thus cleared without condition.

DECISION 20-DCC-63 OF 28 APRIL 2020

regarding the sole control acquisition of Sinoué group by Orpea group

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Contact(s)

Bertille Gauthier
Communication officer
+33155040039
Contact us by e-mail