4 December 2017: Acquisition of William Saurin

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The Autorité de la concurrence has initiated an in-depth examination of the planned acquisition by Financière Cofigeo of certain securities and assets of the Agripole group's Ready Meals division (William Saurin, Panzani and Garbit).

On 12 June 2017, Financière Cofigeo notified the Auto*rité de la concurrence* of its project to acquire sole control of certain assets of the Agripole group's Ready Meals division.

Parties to the operation

Financière Cofigeo operates primarily in the market for the production and sale of ready meals (in particular under the "Raynal & Roquelaure" and "Zapetti" brands, as well as store brands), cooked vegetables and canned meat products for mass retail distribution.

The acquired assets relate to the production and sale of ready meals (in particular under the "William Saurin", "Panzani" and "Garbit" brands, as well as store brands).

Derogating agreement by the *Autorité*

When notifying the transaction, Financière Cofigeo requested a concession under Paragraph 2 of Article L. 430-4 of the French Commercial Code for companies subject to receivership or liquidation proceedings. The requested concession was granted by the *Autorité de la concurrence* on 12 July 2017. Financière Cofigeo was thereby cleared to implement its project to acquire the

target companies, subject to approval of its takeover offer by the Commercial Court.

In a judgment issued on 3 October 2017, the Paris Commercial Court selected Financière Cofigeo to acquire the target companies.

The operation, which unites the two leading ready meals operators, required in-depth examination

In its examination of the planned acquisition, following initial consultations with market participants, the *Autorité* considered that the operation, which would unite the two main operators on the French market for canned ready meals and thereby strengthen Financière Cofigeo's market position, warranted an in-depth examination phase (phase 2).

The initiation of a phase 2 examination prejudges neither the existence or otherwise of anti-competitive effects nor the outcome of the clearance application.

Studied issues

In the course of the forthcoming in-depth examination, the *Autorité* will broaden its consultation of market stakeholders (including competitors and mass retail operators). In particular, the *Autorité* will examine in detail the issue of defining relevant markets, including considering the relevance of segmenting canned foods by recipe group (French dishes, Italian dishes, exotic cuisine) and the need to define more limited markets (for example, distinguishing between manufacturers' brands and store brands, between premium and core market products, or between cans and microwavable trays).

To assess the effects of the transaction, the *Autorité* will examine the ability of current and potential French and international competitors to stimulate competition.

If necessary, the *Autorité* will also consult market stakeholders about solutions

that could resolve potential competition problems.

Provisional timetable

French Law stipulates that the examination of a merger must be performed within 65 business days of phase 2 initiation. If necessary, this timeframe may be extended.

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