

10 January 2018: Retail

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The Autorité de la concurrence clears the acquisition of La Redoute by the Galeries Lafayette group

On 13 December 2017, the Galeries Lafayette group notified the *Autorité de la concurrence* of its intention to acquire the La Redoute company.

Parties to the transaction

The Galeries Lafayette group operates the generalist Galeries Lafayette and BHV/Marais brands, as well as the jewellery-watchmaking brands Louis Pion, Royal Quartz, Guérin Joaillerie and Augis 1830, via numerous shops and commercial websites. The group also operates the online market place for second-hand luxury products Instantluxe, and the Bazarchic website whose takeover was cleared by the *Autorité de la concurrence* in October 2016¹.

The La Redoute company is active in the distribution of non-food items, prominently in the homeware (furnishing and home textiles) and clothing sectors. Its markets its products via its catalogue, its website and, to a smaller extent, through its 11 brick and mortar shops.

The analysis carried out by the *Autorité* has found that the transaction is not likely to harm competition

The activities carried out by the Galeries Lafayette group and by La Redoute overlap in the supply and distribution of non-food items, as well as the sale of overstock and costume jewelry.

Nonetheless, the analysis of the transaction ruled out any potential competition issue. The positions held by the new entity will indeed remain limited after the transaction, no matter which family of products, distribution channel (in-stores

or at distance), or scope (national or within the 11 catchment areas –where a store from the Galeries Lafayette group coexist with a La Redoute sales outlet) is considered.

Further, after the transaction, the new entity will face an important competitive pressure from numerous stakeholders in the distribution sector, who are active in all of the markets concerned by this transaction.

¹**See the press release of the Autorité de la concurrence of 2 November 2016**

> See the full text of Decision 18-DCC-01 of 10 January 2018.

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