18 July 2018: Sale of petroleum products

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**The Autorité de la concurrence clears the acquisition by Total Marketing France (Total Group)
of six businesses owned by Worex**

On 13 April 2018, Total Marketing France company notified the *Autorité de la concurrence* of its intention to take over six businesses specialized in the non-network retail sales[1] of refined petroleum products managed by Worex company.

After assessing the impact of this transaction on the non-network retail market of domestic fuel, non-road gas oil – designed for the agri or construction sectors and diesel fuel used a fuel in road machinery, and on the wholesale non-network retail markets of these fuels, the *Autorité de la concurrence* cleared the transaction without conditions.

Parties to the transaction

Total is an international group active in the entire logistics chain in the fuel industry, both upstream (exploration, oil and natural gas development and production, along with liquefied natural gas development and production) and downstream (refining, storage, petrochemistry, specialty chemicals, trade and transport of crude oil and of petroleum products, distribution). It is also active in the renewal energies sector. Total Marketing France company is a subsidiary of the Total Group.

Worex company is specialized in the sale of petroleum products, in particular in domestic fuel, non-road fuel and diesel fuel. It manages among others the six businesses concerned by this transaction. Worex is solely managed by

ExxonMobil.

The businesses concerned by the transaction correspond to the domestic fuel, non-road fuel and diesel fuel delivered by the company's own means of transportation (tankers) non-network distribution activity of the Worex company.

The transaction is not likely to harm competition

The investigation of the case focused on the impacts of the transaction both regionally and departmentally, in compliance with the decision-making practice of the *Autorité*.

Thus, following its assessment, the *Autorité de la concurrence* noted that the new entity would hold limited market positions in most of the regions in question. In the départements in which the new entity's positions appear more significant, a detailed analysis enabled the *Autorité de la concurrence* to rule out any competition concern as soon as the transaction leaves room for a credible alternative offer to the new entity.

As Total is active in the upstream storage of petroleum products markets, as well as in the non-network wholesale market for petroleum products, the *Autorité* analysed the competition risks at several levels of the distribution chain.

As far as the storage market is concerned, the parties highlighted the fact that the operators specialized in the retail sales generally do not rent storage capacities for their activity as soon as they own their own network of warehouses from which they can supply their clients. This was confirmed by the market tests (consultation of the market players, in particular competitors…)

Regarding the non-network wholesale market for petroleum products, the market positions of the parties being limited, the *Autorité* was also able to rule out any competition issue.

[1] *Non-network retail distribution covers the distribution outside of the petrol station networks*

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