

6 August 2018: Distribution of household electrical appliances

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The *Autorité de la concurrence* clears Boulanger's acquisition of Darty's stores in Passy and Montmartre

On 27 June 2018, Boulanger notified the *Autorité de la concurrence* of its plan to acquire two businesses operating under the Darty brand and located in the Paris neighbourhoods of Passy (92/94, avenue Paul Doumer) and Montmartre (56, boulevard Rochechouart).

These stores were the subject of injunctions issued to Fnac Darty by the *Autorité de la concurrence* in its decision of 27 July 2018 concerning Fnac Darty's compliance with the commitments it made during the acquisition of Darty .

The *Autorité de la concurrence* considers that the proposed acquisition of these two stores by Boulanger does not raise competition concerns and can therefore be cleared.

The parties are both involved in the retail sale of household electrical goods (TV, hi-fi, household appliances, computer and electronic equipment, etc.).

The *Autorité* carried out a detailed analysis of the competitive impact of these takeovers both on the upstream supply markets for household electrical products and on local competitive conditions in the catchment areas of the Darty Passy and Darty Montmartre stores.

Despite the presence of a Boulanger outlet in each of these two areas

(Boulanger Beaugrenelle and Boulanger Madeleine stores respectively), the new entity's market shares remain limited and much lower than those held by the Fnac Darty group in the same areas.

According to the decision, the *Autorité* considered that the operation was not likely to harm competition on the markets concerned and could therefore be cleared without conditions.

This clearance is without prejudice to the separate procedure which will now have to be implemented and which concerns the approval of the purchaser of the stores under the *Autorité's* decision of 27 July 2018. As part of the investigation of the application for approval to be submitted by Fnac Darty, the *Autorité* will examine whether Boulanger fulfils the conditions for being approved as a purchaser in respect of Fnac Darty's compliance with its injunctions to sell.

> See the full text of Decision 18-DCC-131 of 3 August 2018 regarding the acquisition of sole control by Boulanger of two businesses belonging to Darty