The Autorité clears the takeover of Agatha stores by Altesse (Les Georgettes, Saunier) and Thom (Histoire d'Or, Marc Orian, Trésor)

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Altesse and Thom, the first of which owns "Les Georgettes" and "Saunier" and the second of which owns "Histoire d'Or", "Marc Orian" and "Trésor", notified the *Autorité de la concurrence* of its plan to take over 32 stores and 40 concession stands under the Agatha brand[1].

This transaction is part of two receivership proceedings launched by the Commercial Court of Bobigny on 5 November and 15 December 2020, to the benefit of four Agatha Group companies.

In a decision of 4 February 2021, the *Autorité de la concurrence* exceptionally granted a derogation allowing the companies Altesse and Thom to proceed with the acquisition, without waiting for the final decision, issued today.

Parties to the transaction

Altesse, controlled by Renaissance Luxury Group, designs, manufactures and distributes silver, gold-plated, gilded and silver-plated jewellery. In France, it markets its products under its own brands, "Les Georgettes" and "Saunier". Renaissance Luxury Group also owns Ateliers de Vitré and SMV. Ateliers de Vitré owns the Texier brand and manufactures and distributes leather goods, and SMV manufactures non-precious jewellery (silver and gold-plated).

Thom, controlled by the Thom Group, distributes precious jewellery, costume jewellery and watch products. The Thom group is present in France through the

Histoire d'Or, Marc Orian, Trésor, J'M and Smizze brands.

The transaction is not likely to harm competition

The *Autorité* examined whether the transaction was likely to restrict competition on the upstream market for the supply of jewellery and on the wholesale and retail of jewellery markets. On the first two markets, the *Autorité* considered that the transaction did not raise competitive concerns, given the very limited positions of the parties.

In the specific case of the jewellery retail market, the parties' brands are present simultaneously in many catchment areas. The *Autorité* examined the impact of the transaction in each of these areas to ensure that the takeover of Agatha would not have negative consequences (reduction in brand diversity, price increases, etc.) for the consumer. Following the survey, the *Autorité* found that there were a large number of competing outlets, belonging to large national or independent chains. This variety of brands allows consumers to continue to benefit from alternative offers, particularly for non-precious and costume jewellery, the markets in which the parties' combined activities are highest.

The *Autorité* thus unconditionally cleared the transaction.

- *The full text of the decision will soon be published on the Autorité's website.*

[1] Altesse and Thom are taking over 72 of the approximately 120 outlets.

What is a derogation from the suspensive effect?

If the effective conclusion of a merger is subject to approval from the *Autorité de la concurrence*, in certain exceptional circumstances, duly argued by the parties, the *Autorité* may issue a derogation enabling them to finalise part or all of the transaction without waiting for the approval decision, in order to allow the business activities to continue.

By definition, the granting of such a derogation is exceptional. In particular, a derogation may be granted where takeover bids have been submitted for companies in liquidation or in insolvency proceedings, as in the present case.

However, the granting of a derogation by the *Autorité* is without prejudice to the final decision taken at the end of the investigation.