



Determination of the Competition Authority

Determination No. M/04/046 of the Competition Authority, dated 6 September 2004, under Section 21 of the Competition Act, 2002

Notification No. M/04/046 – The proposed acquisition by United Biscuits (UK) Limited of the Jacob’s Bakery Limited

Introduction

1. On the 11th of August 2004 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby United Biscuits (UK) Limited (“UB”) would acquire the entire issued share capital of the Jacob’s Bakery Limited (“JBL”).

The Parties

2. UB is a company incorporated in the UK, with its ultimate parent company being United Biscuits (Equity) Limited, a company incorporated in the Cayman Islands. Its principal activity is the manufacture and sale of biscuits, cakes and savour snacks, which it manufactures and distributes on a worldwide basis. It supplies these products within the State, owning a variety of well-known brands such as McVities, Penguins, and Jaffa Cakes. It does not manufacture any products in the State, however.
3. JBL is a wholly-owned indirect subsidiary of Danone, which is a French-registered company. Danone is involved in the manufacture and sale of dairy products, beverages and biscuits on a worldwide basis. JBL manufactures and supplies biscuits and savoury snack products in the United Kingdom, including Northern Ireland. However, it has no activities within the State.
4. Danone previously also owned Irish Biscuits (“IB”) which manufactures and distributes biscuits in the State. In a separate transaction, Danone has sold IB to Fruitfield, an unrelated third party that does not currently manufacture or distribute biscuits.

Analysis

5. There is no overlap between the activities of JBL and UB within the State. Accordingly, there is no impact on competition as a result of the proposed transaction.

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition will



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not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

**Edward Henneberry
Member of the Competition Authority**

6 September 2004