

**COMPLETED ACQUISITION BY VODAFONE LIMITED OF  
BUSINESSES AND ASSETS FORMERLY CONTROLLED BY  
PHONES 4U LIMITED**

**Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority on 25 September 2014**

**Completed acquisition by Vodafone Limited of business and assets formerly controlled by Phones 4U Limited**

We refer to your letter of 18 November and email of 4 December 2014 in which Vodafone asked the Competition and Markets Authority (**CMA**) to consent to certain derogations in connection with the obligations imposed on Vodafone Limited (**Vodafone**) by the Initial Enforcement Order served on Vodafone on 25 September 2014 (the **Initial Enforcement Order**).

Paragraph 4 of the Initial Enforcement Order requires that the Vodafone and the 140 stores formerly controlled by Phones 4U that Vodafone has acquired (**Target stores**) be operated separately, and specifically, that none of the Vodafone or Target stores are disposed of, and that no interest in the Target stores or Vodafone business is created or disposed of.

Vodafone requests that a derogation from the Initial Enforcement Order be granted in respect of 24 Vodafone stores listed in Annex 1, and, in relation to Plymouth, the nearby Phones 4U store as well. Vodafone would like to take steps such as giving notice and other actions related to the property portfolio. These actions will be implemented in a period starting on 31 December 2014 and will occur progressively depending on the contractual arrangements of each individual store. Vodafone agrees to keep the CMA informed of any such developments, should they occur.

Vodafone submits that given the long lead-times involved, it needs to take immediate action to prevent that it is forced to retain unnecessary store locations or keep such locations empty for extended periods which could extend to September 2022, beyond the anticipated timetable for consideration of this merger and as such the Initial Enforcement Order imposes an undue burden on it.

Vodafone acknowledges that this decision on the requested derogation does not pre-judge the substantive outcome of the case and that the CMA retains its legal powers to seek any additional interim measures if necessary.

After due consideration of Vodafone's request for derogations to the Initial Enforcement Order, in particular taking into account the burden on Vodafone and the current stage of the CMA's analysis in this merger, the CMA consents that Vodafone may carry out the above actions in respect of the specific paragraphs of the Initial Enforcement Order.

**Timothy Geer**

Assistant Director, Mergers, Competition and Markets Authority

## Annex 1

Area	Address	Postcode
Ashton-under-Lyne	43, Warrington Street	OL6 7JG
Ayr	172 High Street	KA7 1PZ
Ballymena	42 Tower Centre, Wellington Street	BT43 6AH
Bangor	Unit 35 Bloomfield Shopping Centre, South Circular Road	BT19 7HB
Birmingham	134C New Street	B2 4NP
Bognor Regis	4B London Road	PO21 1PY
Chelmsford	69 High Street	CM1 1DH
Clapham	67/67a St Johns Road	SW11 1QX
Colchester	18 Culver Street West	CO1 1JG
Gloucester	11 Nothgate Street	GL1 2AN
Kettering	58 High Street	NN16 8SX
Leicester	19 Gallowtree Gate	LE1 5AD
Lincoln	Unit SU21 Waterside Shopping Centre High Street	LN2 1AP
Loughborough	11 Carillion Court Shopping Centre, George Yard	LE11 3XA
Newcastle-Upon-Tyne	120 Northumberland Street	NE1 7XW
Newton Abbey	51 Abbey Centre	BT37 9UL
Northampton	28 Abington Street	NN1 2AJ
Plymouth	2-6 New George Street	PL1 1RL

Plymouth <sup>1</sup>	Unit 5, New George Street	PL1 1DL
Redhill	2B The Belfry	RH1 1SA
Sheffield- Fargate	8 Fargate	S1 2HE
Washington	82A The Galleries	NE38 7RT
Wolverhampton	3-4 Dudley Street	WV1 3EN
Worcester	33 The Shambles	WR1 2RD
Yeovil	7 Vicarage Walk, Quedam Centre	BA20 1EU

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<sup>1</sup> Previously Phones 4U store.