

**COMPLETED ACQUISITION BY VODAFONE LIMITED OF
BUSINESSES AND ASSETS FORMERLY CONTROLLED BY
PHONES4U 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 Phones4U 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 Phones4U 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 Vodafone and Phones4U stores listed in Annex 1. Vodafone intends to join the two Phones4U/Vodafone adjacent stores. These actions can be easily reverse at Vodafone's costs, if necessary.

Vodafone submits that given the long lead times involved, it needs to take immediate action to prevent any unnecessary expenditure which could be avoided in light of the state of the merger assessment. This action would allow Vodafone to operate a single rather than two adjacent stores and implement some efficiencies with immediate effect. Otherwise, the Initial Enforcement Order would impose 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

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Annex 1

Area	Address	Postcode
London – Oxford Street (Vodafone store)	127 Oxford Street	W1D 2HT
London – Oxford Street (Phones4U store)	127 Oxford Street (Unit 1)	W1D 2HT
London – Westfield Shopping Centre (Vodafone store)	Westfield Shopping Centre, Ariel Way	W12 7GB
London – Westfield Shopping Centre (Phones4U store)	Westfield Shopping Centre, Unit 1092, Lower Level Ariel Way	W12 7GB