

## **Completed acquisition by Hain Frozen Foods UK Limited of Orchard House Foods Limited**

### **Invitation to comment**

On 18 August 2016, the Competition and Markets Authority (CMA) opened a public consultation in relation to the undertakings offered by Hain Frozen Foods UK Limited (**Hain**).

The CMA considered that there were reasonable grounds for believing that the undertakings, or a modified version of them, might be accepted by the CMA under the Enterprise Act 2002. These undertakings involved the proposed divestment of Hain's business and assets in the manufacture and supply of own-label freshly squeezed fruit juice to retail and food service customers, as well as other business and assets (the **Divestment Business**), as a going concern, as set out in more detail in the text of the consultation ([Notice of Consultation](#)).

The CMA also considered that the proposed purchaser for the divestment business – Multiple Marketing Limited (**MM**) – might be approved by the CMA. In particular, the CMA believed that the purchase of the Divestment Business by MM was, in the circumstances of this case, appropriate to remedy, mitigate or prevent the competition concerns identified in the substantial lessening of competition (SLC) Decision and form as comprehensive solution to these concerns as is reasonable and practicable.

The CMA received information during the consultation period that the owner of MM also has a 50% shareholding in Fruitapeel (Juice) Limited (**Fruitapeel**). This shareholding means that MM and Fruitapeel may be considered to be under common control for the purposes of the CMA's assessment of MM as purchaser. Therefore, the acquisition by MM of the Divestment Business may result in the Divestment Business and Fruitapeel ceasing to be distinct.

Fruitapeel is not present in the supply of own-label freshly squeezed fruit juice to retail customers but does supply some food service customers and therefore the acquisition would reduce the number of suppliers of own-label freshly squeezed fruit juice to food service customers in the UK.

The CMA is of the provisional view that, notwithstanding the above, the acquisition by MM of the Divestment Business would still meet the purchaser approval criteria; in particular, that it would remedy, mitigate or prevent the SLCs identified and will create a strong player in the supply of own-label freshly squeezed fruit juice.

However, given that this new information was not made available in the Notice of Consultation, and to assist it with this assessment, the CMA invites comments on MM's shareholding in Fruitapeel and views on its possible impact on the effectiveness of the proposed undertakings (and MM as purchaser), from any interested party.

These comments should be provided by the deadline set out below to:

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Affected sector: Food manufacturing

Case number: ME/6585/16

Expected Decision Date: 22 September 2016

Deadline for comments: 5pm on 21 September 2016