

# Anticipated merger between J Sainsbury PLC and Asda Group Ltd

## Terms of reference

1. In exercise of its duty under section 33(1) of the Enterprise Act 2002 (the **Act**) the Competition and Markets Authority (**CMA**) believes that it is or may be the case that:
  - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, in that:
    - (i) enterprises carried on by J Sainsbury PLC will cease to be distinct from enterprises carried on by Asda Group Ltd and Walmart Inc.; and
    - (ii) the condition specified in section 23(1)(b) of the Act is satisfied; and
  - (b) the creation of that situation may be expected to result in a substantial lessening of competition within a market or markets in the United Kingdom for goods or services, including in the retail supply of groceries in-store within local areas around each store operated by J Sainsbury Plc and Asda Group Ltd and at a national level.
2. Therefore, in exercise of its duty under section 33(1) of the Act, the CMA hereby makes a reference to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report, within a period ending on 5 March 2019, on the following questions in accordance with section 36(1) of the Act:
  - (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
  - (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

**Sheldon Mills**  
**Senior Director**  
**Competition and Markets Authority**  
**19 September 2018**