

## **COMPLETED ACQUISITION BY DANSPIN A/S OF CERTAIN ASSETS AND GOODWILL OF LY REALISATIONS LIMITED (FORMERLY LAWTON YARNS LIMITED)**

### **Variation of consent under 72(3C) of the Enterprise Act 2002 (the Act)**

On 30 August 2019, the Competition and Markets Authority (CMA) made a derogation to the Initial Enforcement Order of 23 July 2019 (the Initial Order) in relation to the completed acquisition by Danspin A/S of certain assets and goodwill of LY Realisations Limited (formerly Lawton Yarns Limited) (the 'LY Realisations business' as defined in the Initial Order) ('the 30 August Derogation').

After due consideration of your further request contained in emails dated 10 September 2019 for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, the CMA hereby varies the 30 August Derogation pursuant to section 72(3C) of the Act;

1. The 30 August Derogation is varied as follows:

a) In Paragraph 1(e):

'The CMA consents that [X] is provided with delegation of authority in excess of the thresholds listed below, or as amended with prior approval of the CMA, to approve certain high value purchases and financial commitments by LY Realisations business.'

is replaced with

'The CMA consents that [X] is provided with delegation of authority up to the thresholds listed below, or as amended with prior approval of the CMA, to approve certain high value purchases and financial commitments by the LY Realisations business.'

b) In Paragraphs 1(e)(i) to (xiii):

The phrases 'exceeding', 'above', and 'in excess of' shall be replaced with 'not exceeding', 'below' and 'not in excess of' respectively.

c) In Paragraph 1(e):

'Danspin submitted that [X] will require Danspin's approval for certain decisions outside the ordinary course of business to reduce the risk of significant liability arising for Dartspin.'

to be replaced with

‘Danspin submitted that, in order to reduce the risk of significant liability arising for Danspin, [X] will require Danspin’s approval for certain decisions outside the ordinary course of business.’

d) In Paragraph 1(e), following sub-paragraph (xiii), shall be inserted:

‘In order to reduce the risk of significant liability arising for Danspin, the CMA consents to a derogation from the Initial Order to enable [X], Finance Manager of Danspin, or [X], CEO of Danspin to approve or veto certain amounts by [X] exceeding the levels of the delegation of authority, as specified in the written delegation of authority to be provided to [X], subject to the implementation of the following safeguard measures listed below:

- The information shared by [X] with [X] or [X] is no more than is strictly necessary to allow him to reach a view on the specific matter at hand and should not include any commercially sensitive information;
- Discussions will be limited to the specific matters listed in the delegation of authority;
- [X] or [X] (as appropriate) takes decisions on the escalated matters on his own and without involvement from any other Danspin employee;
- The CMA may, at its discretion, be provided with a summary of the information shared with [X] or [X] after a request for approval has been submitted by [X] under the terms of the delegation of authority;
- The CMA is notified of any proposed veto and the reasons for this in advance of any such veto being exercised; and
- [X] and [X] will be required to sign a non-disclosure agreement in a form agreed by the CMA.’

Maria Duarte  
Assistant Director, Mergers  
13 September 2019