

Completed acquisition by JD Sports Fashion plc of Footasylum plc

Terms of reference

1. In exercise of its duty under section 22(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) a relevant merger situation has been created, in that:
 - (i) enterprises carried on by JD Sports Fashion plc (**JD Sports**) (which is 57% owned by Pentland Group Plc (**Pentland**)) have ceased to be distinct from enterprises carried on by Footasylum plc (**Footasylum**) (the **Parties**); and
 - (ii) the condition specified in section 23(1)(b) of the Act is satisfied; and
 - (b) the creation of that situation has resulted, or 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:
 - (i) the retail supply of sports-inspired casual apparel in-store on a national basis and thereby in each local area where one or more of the Parties' stores is present;
 - (ii) the retail supply of sports-inspired casual footwear in-store on a national basis and thereby in each local area where one or more of the Parties' stores is present;
 - (iii) the retail supply of sports-inspired casual apparel online at a national level; and
 - (iv) the retail supply of sports-inspired casual footwear online at a national level.
2. Therefore, in exercise of its duty under section 22(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 16 March 2020, on the following questions in accordance with section 35(1) of the Act:

- (a) whether a relevant merger situation has been created; and
- (b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

Colin Raftery
Senior Director, Mergers
Competition and Markets Authority
1 October 2019