

Completed acquisition by Hunter Douglas N.V. of convertible loan notes and certain rights in 247 Home Furnishings Ltd. in 2013 and the completed acquisition by Hunter Douglas N.V. of a controlling interest in 247 Home Furnishings Ltd. in 2019

Notice of Proposal to accept Final Undertakings pursuant to sections 41, 82 and 90 of and schedule 10 to the Enterprise Act 2002 and public consultation on the proposed Final Undertakings

Background

1. On 28 February 2019, Hunter Douglas N.V. (**'Hunter Douglas'**) completed its acquisition of a controlling interest in 247 Home Furnishings Ltd (**'247'**) (the **'Merger'**).
2. On 1 April 2020, the Competition and Markets Authority (**'CMA'**), in exercise of its duty under section 22(1) of the Enterprise Act 2002 (the **'Act'**), referred the completed merger between Hunter Douglas and 247 to determine, pursuant to section 35 of the Act (the **'Reference'**):
 - (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 (**'SLC'**) in any market or markets in the United Kingdom (**'UK'**) for goods or services.
3. On 15 September 2020, pursuant to section 38 of the Act, the CMA published a report (the **'Report'**) concluding that:
 - (a) the Merger has resulted in the creation of a relevant merger situation;
 - (b) the creation of that situation has resulted in, or may be expected to result, in an SLC in relation to the retail supply of online made to measure (**'M2M'**) blinds in the UK; and
 - (c) the CMA should take action to remedy the SLC found and any resulting adverse effects.

4. The CMA has reached agreement with Hunter Douglas and 247 (together, the 'Parties') as to the terms of Final Undertakings for the purpose of remedying, mitigating or preventing the SLC it has identified in the Report and any adverse effects arising from them. The proposed Final Undertakings are attached to this Notice.

Notice of proposal to accept undertakings

5. The CMA now hereby gives notice under paragraph 2 of Schedule 10 to the Act that:
 - (a) The CMA proposes to accept the attached proposed Final Undertakings; and
 - (b) The proposed Final Undertakings seek to address the SLC identified in the Report and any adverse effects arising from the SLC.
6. The CMA invites written representations on the proposed Final Undertakings from any person or persons who wish to comment.
7. Please note due to the ongoing COVID-19 outbreak, the CMA's offices across the UK are closed until further notice. We are no longer able to accept delivery of any documents or correspondence by post or courier to any of our offices.
8. Representations should reach the CMA via email by 5pm on 19 November 2020, and should be addressed to: amardeep.khosla@cma.gov.uk
9. The CMA will consider any written representations made in accordance with this Notice and may make modifications to the proposed Final Undertakings as a result. In the absence of any written representations, or in the event that the CMA decides, on consideration of the representations made and not withdrawn, not to amend the proposed Final Undertakings, the CMA proposes to accept the proposed Final Undertakings in their present form pursuant to section 82 of the Act. If the CMA considers that any representation necessitates any material change to the proposed undertakings, the CMA will give notice to the proposed modifications.
10. Once accepted, the Final Undertakings may be varied, superseded or released by the CMA under section 82(2) of the Act.
11. This Notice and a non-confidential version of the Final Undertakings will be published on the CMA website.

Signed by authority of the CMA

Kirstin Baker
Inquiry Group Chair
5 November 2020