

## **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 Acceptance of Final Undertakings pursuant to section 82 of the Enterprise Act 2002**

#### **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 20 November 2019, the Competition and Markets Authority (the **'CMA'**) made an initial enforcement order (**'IEO'**) pursuant to section 72(2) of the Enterprise Act 2002 (the **'Act'**) for the purpose of preventing pre-emptive action in accordance with that section. On 27 April 2020, the CMA issued directions under the IEO for the appointment of a monitoring trustee (the **'Monitoring Trustee'**) in order to monitor and ensure compliance with the IEO.
3. 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.
4. 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.
5. 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.
  6. On 5 November 2020, the CMA gave notice of a proposal to accept Final Undertakings on its website. The CMA received no responses to its notice and made no substantive modifications to the text of the proposed Final Undertakings.
  7. On 4 December 2020, the Parties gave the CMA Final Undertakings, giving effect to the CMA's decisions as published in its Final Report and which are on the same terms as those consulted on.
  8. The CMA, under section 82 of the Act, now accepts those Final Undertakings as given by the Parties. A copy of the Final Undertakings is attached. The Final Undertakings now come into force and the reference is finally determined. In accordance with section 72(6) of the Act, the IEO ceases to be in force.
  9. The Final Undertakings may be varied, superseded or released by the CMA under section 82(2) of the Act.
  10. This Notice and a non-confidential version of the Final Undertakings will be published on the CMA website. The CMA has excluded from the non-confidential version of the Final Undertakings information which it considers should be excluded, having regard to the considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Signed by authority of the CMA

Kirstin Baker  
Inquiry Group Chair

7 December 2020