

ACQUISITION BY SCOOPY BIDCO LIMITED, TRADING AS VETPARTNERS LIMITED, OF GODDARD HOLDCO LIMITED

Initial Enforcement Order made by the Competition and Markets Authority pursuant to section 72(2) of the Enterprise Act 2002 (the Act)

Whereas:

- (a) the Competition and Markets Authority (**CMA**) has reasonable grounds for suspecting that it is or may be the case that Scooby Bidco Limited (**Scooby**) trading through its subsidiary VETPartners Limited (**VetPartners**), and Goddard Holdco Limited (**Goddard**) have ceased to be distinct;
- (b) the CMA is considering, pursuant to section 22 of the Act, whether it is or may be the case that a relevant merger situation has been created and whether the creation of that situation has resulted or may be expected to result in a substantial lessening of competition in any market or markets in the United Kingdom (**UK**);
- (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under section 22 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference; and
- (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.

Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Scooby Lux Investment s.a.r.l., Scooby EquityCo Limited, Piper Topco Limited, Scooby, VetPartners (all referred to collectively as the '**Acquirer Group**') and Goddard (the **Order**).

Commencement, application and scope

1. This Order commences on the commencement date: 15 November 2021.
2. This Order applies to the Acquirer Group and Goddard.

3. Notwithstanding any other provision of this Order, no act or omission shall constitute a breach of this Order, and nothing in this Order shall oblige the Acquirer Group and Goddard to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.

Management of the Acquirer Group and Goddard businesses until determination of proceedings

4. Except with the prior written consent of the CMA, the Acquirer Group and Goddard shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might:
 - (a) lead to the integration of the Goddard business with the Acquirer Group business;
 - (b) transfer the ownership or control of the Acquirer Group business or the Goddard business or any of their subsidiaries; or
 - (c) otherwise impair the ability of the Goddard business or the Acquirer Group business to compete independently in any of the markets affected by the transaction.
5. Further and without prejudice to the generality of paragraph 4 and subject to paragraph 3, the Acquirer Group and Goddard shall at all times during the specified period procure that, except with the prior written consent of the CMA:
 - (a) the Goddard business is carried on separately from the Acquirer Group business and the Goddard business's separate sales or brand identity is maintained;
 - (b) the Goddard business and the Acquirer Group business are maintained as a going concern and sufficient resources are made available for the development of the Goddard business and the Acquirer Group business, on the basis of their respective pre-merger business plans;
 - (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Goddard business or the Acquirer Group business;

- (d) the nature, description, range and quality of goods and/or services supplied in the UK by each of the two businesses are maintained and preserved;
- (e) except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Goddard business and the Acquirer Group business are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the Goddard business or the Acquirer Group business are disposed of; and
 - (iii) no interest in the assets of the Goddard business or the Acquirer Group business is created or disposed of;
- (f) there is no integration of the information technology of the Goddard business or Acquirer Group businesses, and the software and hardware platforms of the Goddard business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the two businesses shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Goddard business will be carried out by the Goddard business alone and for the avoidance of doubt the Acquirer Group business will not negotiate on behalf of the Goddard business (and vice versa) or enter into any joint agreements with the Goddard business (and vice versa);
- (h) all existing contracts of the Goddard business and the Acquirer Group business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to key staff of the Goddard business or Acquirer Group business;
- (j) no key staff are transferred between the Goddard business and the Acquirer Group business;
- (k) all reasonable steps are taken to encourage all key staff to remain with the Goddard business and the Acquirer Group business; and
- (l) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses shall pass,

directly or indirectly, from the Goddard business (or any of its employees, directors, agents or affiliates) to the Acquirer Group business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (including, for example, where required for compliance with external regulatory and/or accounting obligations or for due diligence, integration planning or the completion of any merger control proceedings relating to the transaction) and on the basis that, should the transaction be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

Compliance

6. The Acquirer Group and Goddard shall procure that each of their subsidiaries complies with this Order as if the Order had been issued to each of them.
7. The Acquirer Group and Goddard shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by the Acquirer Group and Goddard and their subsidiaries with this Order. In particular, on 29 November 2021 (and subsequently every two weeks), the Chief Executive Officer of each the Acquirer Group and Goddard (or other persons of the Acquirer Group and Goddard as agreed with the CMA) shall, on behalf of the Acquirer Group and Goddard, provide a statement to the CMA in the form set out in the Annex A and Annex B to this Order confirming compliance with this Order.
8. At all times, the Acquirer Group and Goddard shall, or shall procure that Goddard shall, actively keep the CMA informed of any material developments relating to the Goddard business or the Acquirer Group business, which includes but is not limited to:
 - (a) details of key staff who leave or join the Goddard business or the Acquirer Group business;
 - (b) any interruption of the Goddard business or Acquirer Group business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented them from operating in the ordinary course of business for more than 24 hours;
 - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Goddard business or Acquirer Group business including any substantial changes in customers' demand; and

(d) substantial changes in the Goddard or Acquirer Group business' contractual arrangements or relationships with key suppliers.

9. If the Acquirer Group or Goddard has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee the Acquirer Group and Goddard may be directed to appoint under paragraph 10.
10. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Order, or do or refrain from doing any specified action in order to ensure compliance with the Order. The CMA may vary or revoke any directions so given.
11. The Acquirer Group and Goddard shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Order.

Interpretation

12. The Interpretation Act 1978 shall apply to this Order as it does to Acts of Parliament.
13. For the purposes of this Order:

'the Acquirer Group' means Scooby Lux Investment s.a.r.l. (Luxembourg), Scooby EquityCo Limited, Scooby Bidco Limited, VETPartners Limited, Piper Topco Limited and their subsidiaries.

'the Acquirer Group business' means the businesses of Scooby Lux Investment s.a.r.l., Scooby EquityCo Limited, Piper TopCo Limited, Scooby and VetPartners and their subsidiaries carried on as at the commencement date;

'the Act' means the Enterprise Act 2002;

'an affiliate' of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

‘business’ has the meaning given by section 129(1) and (3) of the Act;

‘commencement date’ means 15 November 2021;

‘control’ includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

‘the decisions’ means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 of the Act;

‘Goddard’ means Goddard Holdco Limited, a company incorporated under the Companies Act 2006, registered at Spitfire House, Aviator Court, York, United Kingdom, YO30 4UZ, with company number 12158031;

‘the Goddard business’ means the business of Goddard and its subsidiaries carried on as at the commencement date;

‘key staff’ means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business;

‘the ordinary course of business’ means matters connected to the day-to-day supply of goods and/or services by Goddard or the Acquirer Group and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Goddard and the Acquirer Group;

‘Piper TopCo Limited’ means Piper TopCo Limited, a company incorporated in Jersey, registered at 26 New Street, St Helier JE2 3RA Jersey, with company number 129075;

‘Scooby Lux Investment s.a.r.l.’ means Scooby Lux Investment s.a.r.l. (Luxembourg), registered at 18 Rue Erasme, L-1468 Luxembourg, Luxembourg, with company number B226226;

‘Scooby’ means Scooby Bidco Limited, a company incorporated under the Companies Act 2006, registered at C/O Vetpartners Ltd Spitfire House, Aviator Court, Amy Johnson Way, Clifton Moor, York, England, YO30 4GY, with company number 11499533;

‘Scooby EquityCo Limited’ means Scooby EquityCo Limited, a company incorporated in Jersey, registered at 44 Esplanade, St Helier, JE4 9WG Jersey, with company number 127015;

‘specified period’ means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

'subsidiary', unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

'the transaction' means the transaction by which Acquirer Group and Goddard have ceased to be distinct within the meaning of section 23 of the Act;

'the two businesses' means the Acquirer Group business and the Goddard business;

'VETPartners Limited' means VETPartners Limited, a company incorporated under the Companies Act 2006, registered at Spitfire House, Aviator Court, York, England, YO304UZ, with company number 10026837.

unless the context requires otherwise, the singular shall include the plural and vice versa.

Faye Fullalove

Assistant Director, Mergers

Compliance statement for the Acquirer Group

I [insert name] confirm on behalf of Scooby Lux Investment s.a.r.l./ Scooby EquityCo Limited/ Scooby Bidco Limited/ VETPartners Limited/ Piper Topco Limited that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) Scooby Lux Investment s.a.r.l./ Scooby EquityCo Limited/ Scooby Bidco Limited/ VETPartners Limited/ Piper Topco Limited has complied with the Order made by the CMA in relation to the transaction on 15 November 2021 (the Order).
 - (b) Scooby Lux Investment s.a.r.l./ Scooby EquityCo Limited/ Scooby Bidco Limited/ VETPartners Limited/ Piper Topco Limited's subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (c) No action has been taken by Scooby Lux Investment s.a.r.l./ Scooby EquityCo Limited/ Scooby Bidco Limited/ VETPartners Limited/ Piper Topco Limited that might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Goddard business with the Acquirer Group business;
 - (ii) transfer the ownership or control of the Acquirer Group business or the Goddard business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Goddard business or the Acquirer Group business to compete independently in any of the markets affected by the transaction.
 - (d) The Goddard business has been carried on separately from the Acquirer Group business and the Goddard business' separate sales or brand identity has been maintained.
 - (e) The Goddard business and the Acquirer Group business have been maintained as a going concern and sufficient resources have been made

available for the development of the Goddard business and the Acquirer Group business, on the basis of their respective pre-merger business plans.

- (f) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the Goddard business or the Acquirer Group business, except in the ordinary course of business.
- (g) The nature, description, range and quality of goods and/or services supplied in the UK by the Goddard business and the Acquirer Group business have been maintained and preserved.
- (h) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Goddard business and the Acquirer Group business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Goddard business or the Acquirer Group business have been disposed of; and
 - (iii) no interest in the assets of the Goddard business or the Acquirer Group business has been created or disposed of.
- (i) There has been no integration of the information technology of the Goddard or Acquirer Group businesses, and the software and hardware platforms of the Goddard business have remained essentially unchanged, except for routine changes and maintenance.
- (j) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Goddard business have been carried out by the Goddard business alone and, for the avoidance of doubt, the Acquirer Group business has not negotiated on behalf of the Goddard business (and vice versa) or entered into any joint agreements with the Goddard business (and vice versa).
- (k) All existing contracts of the Goddard business and the Acquirer Group business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (l) No changes have been made to key staff of the Goddard business or the Acquirer Group business.

- (m) No key staff have been transferred between the Goddard business and the Acquirer Group business.
- (n) All reasonable steps have been taken to encourage all key staff to remain with the Goddard business and the Acquirer Group business.
- (o) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the Goddard business (or any of its employees, directors, agents or affiliates) to the Acquirer Group business (or any of its employees, directors, agents or affiliates), or vice versa.
- (p) Except as listed in paragraph (q) below, there have been no:
 - (i) key staff that have left or joined the Goddard business or the Acquirer Group business;
 - (ii) interruptions of the Goddard business or the Acquirer Group business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Goddard business or the Acquirer Group business; or
 - (iv) substantial changes in the Goddard business or Acquirer Group business' contractual arrangements or relationships with key suppliers.
- (q) *[list of material developments]*

- 3. Scooby Lux Investment s.a.r.l./ Scooby EquityCo Limited/ Scooby Bidco Limited/ VETPartners Limited/ Piper Topco Limited and its subsidiaries remain in full compliance with the Order and will, or will procure that Goddard, continue actively to keep the CMA informed of any material developments relating to the Goddard business or the Acquirer Group business in accordance with paragraph 8 of the Order.

Interpretation

- 4. Terms defined in the Order have the same meaning in this compliance statement.

I understand that:

it is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **fines, imprisonment for a term not exceeding two years, or both.** (Section 117 of the Enterprise Act 2002.)

Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed. (Section 94A of the Enterprise Act 2002.)

FOR AND ON BEHALF [INSERT SIGNATORY ENTITY]

Signature

Name

Title

Date

Compliance statement Goddard

I [insert name] confirm on behalf of Goddard that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) Goddard has complied with the Order made by the CMA in relation to the transaction on 15 November 2021 (the Order).
 - (b) Goddard's subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (c) No action has been taken by Goddard that might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Goddard business with the Acquirer Group business;
 - (ii) transfer the ownership or control of the Acquirer Group business or the Goddard business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Goddard business or the Acquirer Group business to compete independently in any of the markets affected by the transaction.
 - (d) The Goddard business has been carried on separately from the Acquirer Group business and the Goddard business' separate sales or brand identity has been maintained.
 - (e) The Goddard business has been maintained as a going concern and sufficient resources have been made available for the development of the Goddard business on the basis of its respective pre-merger business plans.
 - (f) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the Goddard business, except in the ordinary course of business.

- (g) The nature, description, range and quality of goods and/or services supplied in the UK by the Goddard business have been maintained and preserved.
- (h) Except in the ordinary course of business for the separate operation of the Goddard business and the Acquirer Group business:
 - (i) all of the assets of the Goddard business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Goddard business have been disposed of; and
 - (iii) no interest in the assets of the Goddard business has been created or disposed of.
- (i) There has been no integration of the information technology of the Goddard or Acquirer Group businesses, and the software and hardware platforms of the Goddard business have remained essentially unchanged, except for routine changes and maintenance.
- (j) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Goddard business have been carried out by the Goddard business alone and, for the avoidance of doubt, the Acquirer Group business has not negotiated on behalf of the Goddard business (and vice versa) or entered into any joint agreements with the Goddard business (and vice versa).
- (k) All existing contracts of the Goddard business have been serviced by the Goddard business, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (l) No changes have been made to key staff of the Goddard business.
- (m) No key staff have been transferred between the Goddard business and the Acquirer Group business.
- (n) All reasonable steps have been taken to encourage all key staff to remain with the Goddard business.
- (o) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the

two businesses, has passed, directly or indirectly, from the Goddard business (or any of its employees, directors, agents or affiliates) to the Acquirer Group business (or any of its employees, directors, agents or affiliates), or vice versa.

(p) Except as listed in paragraph (q) below, there have been no:

- (i) key staff that have left or joined the Goddard business;
- (ii) interruptions of the Goddard business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
- (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Goddard business; or
- (iv) substantial changes in the Goddard business' contractual arrangements or relationships with key suppliers.

(q) [list of material developments]

3. Goddard and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Goddard business or the Goddard business in accordance with paragraph 8 of the Order.

Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

I understand that:

it is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **fines, imprisonment for a term not exceeding two years, or both**. (Section 117 of the Enterprise Act 2002.)

Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed. (Section 94A of the Enterprise Act 2002.)

FOR AND ON BEHALF OF GODDARD

Signature

Name

Title

Date