

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002**

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 15 November 2021

Completed acquisition by VetPartners Limited of Goddard Holdco Limited ('Goddard').

Dear [✂],

We refer to your submissions dated 25, 26 and 29 November 2021 requesting that the CMA consents to derogations to the Initial Enforcement Order of 15 November 2021 (the '**Initial Order**'). Unless otherwise stated, the terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Scooby Lux Investment S.à r.l., Scooby Equityco Limited, Piper Topco Limited, Scooby VetPartners (together, the '**Acquirer Group**') and Goddard are required to hold separate the Acquirer Group business from the Goddard business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, the Acquirer Group and Goddard may carry out the following actions, in respect of the specific paragraphs:

1. Paragraph 4(a), 5(a), 5(g) and 5(l) of the Initial Order

Goddard submits that, following a tender process for the procurement of pet cremation and clinical waste services (the '**Services**'), Goddard has taken the decision, in principle, to award the contract to Time Right Limited (trading as Pet Cremation Services ('**PCS**')). PCS is a subsidiary of VetPartners Limited.

Goddard submits that [X], and that Goddard has taken this decision independently, in the best interests of the Goddard business.

As a result, Goddard proposes to enter into an agreement (the '**Agreement**') with PCS for the Services, and is seeking CMA consent to enter into this Agreement.

The CMA consents to a derogation from paragraphs 4(a), 5(a), 5(g) and 5(l) of the Initial Order to permit Goddard to enter into the Agreement with PCS, strictly on the basis that:

- (i) Goddard has assessed the available options for the procurement of Services from multiple potential suppliers and has independently concluded that [X];
- (ii) The Agreement will be entered into on standard, commercial and arm's length terms;
- (iii) While the Agreement will be entered into for a duration of [X], the Agreement will contain a provision which provides Goddard with the ability to terminate the Agreement [X];
- (iv) Confidential information shared by Goddard with the PCS business will be limited to that which is strictly necessary for PCS to conduct the Services and will not include any commercially-sensitive information. For the avoidance of doubt, information provided by Goddard to PCS for the purposes of this derogation will not be shared with any individual in the Acquirer Group business (save for PCS);
- (v) PCS individuals accessing confidential information provided by Goddard in connection with the Services will enter into non-disclosure agreements in a form to be agreed with the CMA;
- (vi) PCS will implement IT firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals outside of the PCS business from accessing information shared by Goddard with PCS for the purposes of this derogation;
- (vii) Access to the Goddard premises and other Goddard facilities will be limited to that which is strictly necessary for the performance of the Services and for no other purpose;
- (viii) The CMA will be provided with the final executed copy of the Agreement;
- (ix) Should the acquisition by the Acquirer Group of Goddard be prohibited, or a divestment of all or part of the Goddard business be required by the CMA,

any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from Goddard for the purposes of this derogation will be returned to the Goddard business (and/or where relevant transferred to a new purchaser of the Goddard business) and any copies destroyed, except to the extent that record retention is required by law or regulation.

Yours sincerely,

Faye Fullalove
Assistant Director, Mergers

29 November 2021