

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

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 ('VetPartners') of Goddard Holdco Limited ('Goddard') (the 'Acquisition').

Dear [X]

We refer to your submissions of 24 May 2022 and 01 June 2022 requesting that the CMA consent 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, Goddard may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 5(c) of the Initial Order – Changes made to the organisational structure of the Goddard business

Goddard proposes to make certain changes to the management structure of the Goddard business as set out in Annex A (the '**Reorganisation**'). Goddard submits that the Reorganisation is unrelated to the Acquisition and certain elements have been in discussion before the Acquisition. Goddard anticipates that the Reorganisation will result in an improved way of operating that will address a number of [X].

The CMA understands that, as part of the Reorganisation, the current role of [X]. This change is subject to further engagement with [X]. Following the outcome of this engagement, the Reorganisation may involve [X]. It is, however, Goddard's intention to [X], where possible. Goddard intends that [X]. The CMA understands that the [X] are not considered to be 'key staff' for the purposes of the Initial Order.

Goddard is, therefore, seeking a derogation from paragraph 5(c) of the Initial Order to allow Goddard to make the changes necessary to implement the Reorganisation.

On the basis of Goddard's representations, the CMA consents to a derogation from paragraph 5(c) of the Initial Order, strictly on the basis of Goddard's representations that:

- i. the Reorganisation is expected to increase the competitiveness and efficiency of the Goddard business;
- ii. the Reorganisation is unrelated to the Acquisition and decisions related to the Reorganisation have been taken independently of VetPartners;
- iii. the Reorganisation will not diminish the range and quality of services provided by Goddard business nor will it affect how Goddard engages with customers;
- iv. the Reorganisation will be implemented as soon as reasonably practicable, and Goddard will seek to achieve a smooth and orderly transition;
- v. no other organisational or management changes will be made to the Goddard business as a result of the proposed Reorganisation;
- vi. this derogation will not lead to any integration of the VetPartners business and the Goddard business; and
- vii. this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

Yours sincerely

Faye Fullalove
Assistant Director
9 June 2022

Annex A

Role	Current position	Proposed change
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X] ¹	[X]	[X]

¹ Role title to be confirmed following further review by Goddard management.