

Carpenter Co./Recticel NV/SA Merger Inquiry

Response to Issues Statement

6 September 2022

- 1.1 Carpenter Co. and Recticel NV/SA (together, the Parties) appreciate the opportunity to respond to the CMA's Issues Statement of 26 August 2022.
- 1.2 As summarized in paragraphs 4 to 8 of the Issues Statement, the Inquiry Group accepted the Parties' formal concession that the proposed transaction may be expected to result in a substantial lessening of competition (SLC) as a result of horizontal unilateral effects in the markets for the supply of comfort foam in the UK, the supply of technical foam in the UK (particularly, "technical sponge foam, the primary segment in which the Parties overlap") and the supply of converted comfort foam in the UK. The Parties appreciate that the Inquiry Group accepted the concession.
- 1.3 The Parties have conceded an SLC in order to avail themselves of the procedures described in section 7 of [CMA2 revised](#). The Parties share the CMA's expectation that this concession will mean that they will "progress substantially more quickly than they would have done under the ordinary investigation timetable."¹ In particular, the Parties understand that their concession will "facilitate the efficient conduct of the case" by allowing the Inquiry group and the Parties to advance to remedies discussions.² The Parties emphasise their desire to take all actions to facilitate the Inquiry Group's expeditious review of this matter and to proceed to the issuance of a Final Report.
- 1.4 The Parties do not otherwise have comments on the Issues Statement.

MCGUIREWOODS LONDON LLP
6 SEPTEMBER 2022

¹ [CMA2 revised](#), para. 7.4.

² [CMA2 revised](#), para. 7.19.