

**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 Orders made by the Competition and  
Markets Authority ('CMA') on 17 November 2022**

**COMPLETED ACQUISITIONS BY INDEPENDENT VETCARE LIMITED OF  
MULTIPLE INDEPENDENT VETERINARY PRACTICES**

Dear Bertrand Louveaux,

We refer to your email and accompanying note dated 16 December 2022 requesting that the CMA consents to a derogation to the Initial Enforcement Orders (the '**Initial Orders**') dated 17 November 2022. The terms defined in the Initial Orders have the same meaning in this letter.

The CMA issued Initial Orders addressed to Independent Vetcare Limited ('**IVC**'), Acquisition Pikco Ltd ('**Pikco**'), IVC Acquisition Topco Limited ('**IVC Topco**'), Islay New Group Holding S.A. ('**Islay**'), Société Des Produits Nestlé S.A. ('**Nestle**'), EQT Fund Management S.à r.l. ('**EQT**') and Berkshire Partners LLC ('**Berkshire**') (together, the '**Acquirer Group**'). Under the Initial Orders, save for written consent by the CMA, the Acquirer Group is required to hold separate the Acquirer Group business from the Target Entities 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, based on the information received from you and in the particular circumstances of this case, IVC and the relevant Target Entities may carry out the following actions, in respect of the specific paragraphs:

**1. Paragraph 5(i) of the Initial Orders**

IVC's acquisitions of Penrose Veterinary Group Limited, Kevin Castle (Pet Care) Ltd, Swayne & Partners Ltd, Treforest Veterinary Clinic Ltd, Mercer & Hughes Limited, Swaffham Veterinary Centre Limited, Anglesey Pet Clinic Ltd, Chiltern Equine Clinic (including Chiltern Veterinary Services Limited & Chiltern Bury Farm Limited) (the '**Target Entities**') completed between 16 September 2021 to 22 March 2022.

IVC has sought CMA consent to exclude paragraph 5(i) of the Initial Orders in order to enable it to give effect to the proposed redundancy of [X] if this is deemed to be appropriate at the end of the related [X].

IVC has informed the CMA that it is proposing to make the role of [X]. This has been identified by IVC as a key staff role<sup>1</sup> and its proposed redundancy [X]. A [X] in respect of the role is underway and IVC has informed the CMA that it is [X] as part of that. IVC aims to finish the [X].

The CMA consents that the obligations in 5(i) of the Initial Orders be excluded to enable IVC to give effect to the proposed redundancy of [X] if this is deemed to be appropriate at the end of the [X]. This derogation is granted based on representations from IVC that this is strictly necessary to enable IVC to give effect to the proposed redundancy if this is deemed appropriate and confirms that it will not impact IVC's ability to compete in any relevant market.

The CMA consents to a derogation from paragraph 5(i) of the Initial Orders, to enable IVC to carry out the action described above, strictly on the basis that:

- a) the redundancy is made only if deemed appropriate by IVC following [X];
- b) [X] will not result in significant changes to the organisational structure of or management responsibilities within IVC or [X].
- c) this derogation will not lead to any integration of the IVC and Target businesses;
- d) 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.

Sincerely,

Matteo Alchini  
Assistant Director  
Remedies, Business and Financial Analysis  
23 December 2022

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<sup>1</sup> Please see Annex 1 to the Derogations Supplemental Submission.