

Completed Acquisition by Vandemoortele Group of Délifrance S.A.

**NOTICE UNDER PARAGRAPH 2(1) OF SCHEDULE 10 TO THE
ENTERPRISE ACT 2002 (THE ACT) – CONSULTATION ON
PROPOSED UNDERTAKINGS IN LIEU OF REFERENCE
PURSUANT TO SECTION 73 OF THE ACT.**

ME/2244/25

Contents

1.	INTRODUCTION.....	2
2.	THE UNDERTAKINGS OFFERED	2
3.	CMA ASSESSMENT	3
4.	PROPOSED DECISION AND NEXT STEPS.....	8

1. INTRODUCTION

1. On 12 June 2025 Vandemoortele Group (**Vandemoortele**) agreed to acquire Délifrance S.A. (**Délifrance**) (the **Merger**). Vandemoortele and Délifrance are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.
2. On 8 December 2025, the Competition and Markets Authority (**CMA**) decided under section 33(1) of the Enterprise Act 2002 (the **Act**) that it is or may be the case that the Merger consists of arrangements that are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, and that this may be expected to result in a substantial lessening of competition (**SLC**) within a market or markets in the United Kingdom (the **SLC Decision**). The text of the SLC Decision is available on the CMA webpages.¹
3. On 15 December 2025, Vandemoortele offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act.
4. On 22 December 2025, the CMA gave notice to the Parties, pursuant to section 73A(2)(b) of the Act, that it considers that there are reasonable grounds for believing that the undertakings offered, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act and that it is considering the Parties' offer (the **UIL Provisional Acceptance Decision**).
5. On 31 December 2025, Vandemoortele completed its acquisition of Délifrance.

2. THE UNDERTAKINGS OFFERED

6. As set out in the SLC Decision, the CMA found a realistic prospect of an SLC in relation to the supply of frozen Laminated Dough (**LD**) products to retail and foodservice customers in the UK.
7. To address the SLC identified by the CMA Vandemoortele has offered undertakings to, inter alia:
 - (a) Divest Délifrance's production sites in Avignon, France (the **Avignon Plant**) and Béthune, France (the **Béthune Plant**) (together, the **DB Plants**) and all related assets, employees, contracts and UK commercial staff, required to supply LD products to the UK;
 - (b) Transfer the existing customer contracts, agreements, volumes (ie volumes equivalent to the volume of the LD supplied by Délifrance to retail and foodservice customers in the UK in the 12 months prior to 31 December

¹ See [Vandemoortele / Délifrance merger inquiry – GOV.UK](#).

2025), and relationships with the retail and foodservice customers of Délifrance in the UK for the sale of LD (the **UK Customer Relationships**) and all customer, credit and other records related to the UK Customer Relationships; and

(c) Make available to the prospective purchaser supplier contracts, toll manufacturing agreements with the Parties, and any transitional service agreements (**TSAs**) needed to support the Divestment Business as it is integrated into its business.

8. The components listed in paragraph 7 above are collectively referred to as the **Divestment Business**. Vandemoortele has also offered to appoint a Monitoring Trustee to oversee compliance with the hold separate, asset maintenance, buyer marketing and divestment execution obligations in the proposed undertakings. The proposed text of the undertakings is available on the CMA webpages (the **Proposed Undertakings**).²

9. Vandemoortele has also offered to enter into an agreement for the sale and purchase of the Divestment Business with an upfront buyer, before the CMA finally accepts the Proposed Undertakings (the **Upfront Buyer Condition**). Vandemoortele has proposed Sammontana Italia S.p.A. Società Benefit (**Sammontana**) as the upfront buyer. The agreement with Sammontana will be conditional on acceptance by the CMA of the Proposed Undertakings, including approval of Sammontana as the buyer of the Divestment Business.

3. CMA ASSESSMENT

10. The CMA currently considers that, subject to responses to the consultation required by Schedule 10 of the Act, including with respect to the suitability of Sammontana as the purchaser of the Divestment Business, the Proposed Undertakings will resolve the SLC identified in the SLC Decision in a clear-cut manner, ie the CMA currently does not have material doubts about the overall effectiveness of the Proposed Undertakings or concerns about their implementation.³ This is because firstly, the Proposed Undertakings would, in effect, remove the entire overlap between the Parties in the supply of LD products in the UK. Délifrance uses a number of plants located in France, including the DB Plants, to supply LD products to customers in the UK and to customers in a number of other countries. While the Divestment Business does not comprise all of the Délifrance plants currently used to supply the UK market:

(a) The Proposed Undertakings include provisions for the transfer of the existing customer contracts, agreements, volumes (ie volumes equivalent to the

² See [Vandemoortele / Délifrance merger inquiry – GOV.UK](#).

³ Merger remedies guidance ([CMA87](#)), December 2018, paragraph 3.28.

volume of the LD supplied by Délifrance to retail and foodservice customers in the UK in the 12 months prior to 31 December 2025; (the **Target Volumes**)),⁴ and relationships with the retail and foodservice customers of Délifrance in the UK for the sale of LD (the **UK Customer Relationships**) and all customer, credit and other records related to the UK Customer Relationships; and

- (b) The DB Plants have the LD production capacity to produce the Target Volumes, albeit a portion of this capacity is only able to produce LD in ‘ready-to-serve’ (**RTP**) format. Given that the majority of UK customers require LD in ‘ready-to-bake’ (**RTB**) format, Vandemoortele has undertaken to install an additional LD prover⁵ at one of the DB Plants at the election of Sammontana. Accordingly, the Divestment Business will have sufficient LD production capacity to continue to supply LD products in RTB format to retail and foodservice customers in the UK in excess of the Target Volumes.

11. The CMA also considers that the Proposed Undertakings would be capable of ready implementation because:

- (a) While the Divestment Business will need to be carved out from the wider Délifrance business, the CMA considers that the Divestment Business consists of two related business units with all supporting assets, employees, contracts and the UK commercial staff required to supply LD products to the UK in volumes exceeding the Target Volumes. The Divestment Business is therefore equipped from the outset to serve UK retail and foodservice customers of LD products.
- (b) While certain toll manufacturing agreements (which are common in the industry) may be needed to the extent that certain LD customers of the Parties (i) do not agree to a switch of supply to the Divestment Business within 3 months from completion of the divestment of the Divestment Business (**Divestment Completion**) or (ii) cannot be supplied from the Divestment Business for [X] (with the relevant volumes, as set out in Appendix 9 of the Proposed Undertakings, being a small proportion of the Target Volumes), any toll manufacturing agreements would be limited in length to 12 months from Divestment Completion.

⁴ The draft undertakings provide that Vandemoortele will use best efforts to transfer all Délifrance UK customer relationships to the approved purchaser and that Vandemoortele will top up any shortfall with Vandemoortele customers in specified circumstances.

⁵ LD products can be produced in a RTP or RTB format. RTB means that they are ready for the customer to place into an oven before selling the product to consumers. RTP means that they require additional processing before being ready to place into an oven. UK LD customers typically require RTB products, rather than RTP products. A prover is a piece of machinery, installed on LD production lines, which ‘proves’ LD products (ie converts them from RTP to RTB).

- (c) The CMA considers that the Divestment Business therefore includes all assets, functions and capabilities necessary for the purchaser to operate it successfully and compete effectively.
12. The CMA considers that an Upfront Buyer Condition is necessary because the Divestment Business forms part of a broader company at present. The CMA further considers that this condition mitigates the resulting composition and related purchaser risk, as the CMA would accept the Proposed Undertakings only if Vandemoortele has entered into an agreement with a nominated buyer that the CMA considers to be suitable in order to ensure that the Divestment Business, as operated by such buyer, can replace the competitive constraint that would otherwise be lost as a result of the Merger.

Suitability of the proposed purchaser

13. In approving a purchaser, the CMA's starting position is that it must be confident without undertaking a detailed investigation that the proposed purchaser will restore pre-merger levels of competition:
- (a) The acquisition by the proposed purchaser must remedy, mitigate or prevent the SLC concerned and any adverse effect resulting from it, achieving as comprehensive a solution as is reasonable and practicable.
 - (b) The proposed purchaser should be independent from and have no significant connection to the merger parties that may compromise the purchaser's incentives to compete with the merged entity (eg an equity interest, common significant shareholders, shared directors, reciprocal trading relationships or continuing financial assistance). It may also be appropriate to consider links between the purchaser and other market players.
 - (c) The purchaser must have sufficient capability, including access to appropriate financial resources, expertise (including managerial, operational and technical capability) and assets to enable the divested business to be an effective competitor in the market. This access should be sufficient to enable the divestiture package to continue to develop as an effective competitor.
 - (d) The CMA will wish to satisfy itself that the purchaser has an appropriate business plan and objectives for competing in the relevant market(s), and that the purchaser has the incentive and intention to maintain and operate the divested business as part of a viable and active business in competition with the merged entity and other competitors in the relevant market.

- (e) Divestiture to the purchaser should not create a realistic prospect of further competition or regulatory concerns.⁶
14. The CMA also considers that, due to composition and related purchaser risks mentioned in paragraph 18 of the UIL Provisional Acceptance Decision, the proposed purchaser would need to demonstrate that it is likely to be successful in being granted customer consent and in retaining UK LD customers and winning new UK LD customers, that it is committed to supplying LD products to UK retail and foodservice customers in the long term, and, more generally, that it has the financial resources, expertise, incentive and intention to maintain and operate the Divestment Business as part of a viable and active business in competition with the Merged Entity in the relevant market and is expected to obtain all necessary approvals and consents.

Sammontana

15. The evidence currently available to the CMA indicates that:
- (a) Sammontana has no material links with and is independent of the Parties.
 - (b) Sammontana has substantial financial resources, enabling it to acquire, operate and develop the Divestment Business on an ongoing basis.
 - (c) The Sammontana group operates in a number of jurisdictions and is active in the production and commercialisation of frozen products, including bakery and pastry products, industrial ice cream (packaged and bulk), and other patisserie or dessert products. Sammontana has experience in supplying a range of these products to both retail and foodservice customers in the UK. In terms of LD products specifically:
 - (i) Sammontana supplies LD products to foodservice customers in the UK from three production facilities (each of which is located in northern Italy). These three facilities currently produce Italian-style LD products (ie butter or margarine LD products like croissants, manufactured at higher temperatures, which are generally preferred by customers in, among other countries, Italy), as opposed to French-style LD products (ie butter or margarine LD products like croissants, manufactured at lower temperatures, which are generally preferred by LD customers in, among other countries, France and the UK). Sammontana currently serves its UK foodservice customers through the Sammontana, Forno D'Asolo and Tre Marie brands.

⁶ CMA87, Chapter 5, paragraphs 5.20 — 5.27.

- (ii) Unlike its wider portfolio of products, Sammontana does not currently supply LD products to retail customers in the UK.
 - (d) The three Sammontana facilities in Italy which are capable of producing LD products are fitted with provers (and so are able to produce both RTB and RTP LD products), are able to produce vegan LD products, and are fitted with filler machines which can produce LD products with fillings.
 - (e) Sammontana has:
 - (i) Logistics partners in the UK who are capable of delivering to UK customers large volumes of LD products. Sammontana's logistics partners are coordinated by a local agent and additionally supported by the broader commercial organisation from Sammontana's headquarters in Italy.
 - (ii) A centralised R&D function in Italy which supports innovation and product development across all the geographic markets it serves, including the UK.
 - (iii) An international sales team responsible for the commercialisation of Sammontana's full product portfolio across a range of international markets, including the UK.
 - (iv) A local sales agent responsible for managing Sammontana's full product portfolio in the UK.
 - (f) Sammontana has provided a proposed plan for the Divestment Business which includes capacity and automation upgrades.
 - (g) At the same time, Sammontana has submitted that its existing production facilities in Italy, subject to some adjustments (eg to alter the ambient temperature of certain production lines) that are achievable in the medium term and at a reasonable cost, are capable of producing additional volumes of French-style LD products for UK retail and foodservice customers (for instance if it is successful in winning new LD customers or if any LD customers transferred to it as part of the Divestment Business increase their volume requirements).
16. Further, the CMA currently considers that the acquisition of the Divestment Business by Sammontana:
- (a) Would not create a realistic prospect of further competition concerns in the UK. While Sammontana is a supplier of LD products to customers in the UK, its share of supply is limited.

- (b) Would require a merger control filing in France. However, the CMA understands that this transaction would likely qualify for a simplified procedure under French merger control which would be expected to conclude in approximately one month.
- (c) Would not raise any further potential regulatory concerns (including in Italy).

4. PROPOSED DECISION AND NEXT STEPS

- 17. For the reasons set out above, subject to the CMA's assessment of any consultation responses, the CMA currently considers that the Proposed Undertakings are, in the circumstances of this case, appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision and form as comprehensive a solution to these concerns as is reasonable and practicable.
- 18. The CMA therefore gives notice that it proposes to accept the Proposed Undertakings in lieu of a reference of the Merger for a phase 2 investigation. The text of the proposed undertakings is available on the CMA case page.⁷
- 19. Before reaching a decision as to whether to accept the Proposed Undertakings, the CMA invites interested parties to make their views known to it both with respect to the composition of the Divestment Business and the suitability of Sammontana as a purchaser of the Divestment Business (including by reference to the matters mentioned in paragraph 14). The CMA will have regard to any representations made in response to this consultation and may make modifications to the Proposed Undertakings as a result. If the CMA considers that any representation necessitates any material change to the Proposed Undertakings, the CMA will give notice of the proposed modifications and publish a further consultation.⁸
- 20. Representations should be made in writing to the CMA and be addressed to:

Matteo Alchini
Assistant Director, Mergers

Email: Matteo.Alchini@cma.gov.uk ('CC Vandemoortele.Delifrance@cma.gov.uk)

Deadline for comments: 2 April 2026

⁷ See [Vandemoortele / Délifrance merger inquiry – GOV.UK](#).

⁸ Under paragraph 2(4) of Schedule 10 to the Act.