

COMPLETED ACQUISITION BY VANDEMOORTELE GROUP OF DÉLIFRANCE S.A.

Invitation to comment on remedies under Rule 12 of the CMA's rules of procedure for merger, market and special reference groups¹

Introduction

1. This consultation seeks the views of interested parties on possible remedies to address the substantial lessening of competition (**SLC**) and resulting adverse effects we have provisionally identified regarding the completed acquisition by Vandemoortele Group (**Vandemoortele**) of Délifrance S.A. (**Délifrance**) (the **Merger**). In particular we are consulting on a structural divestiture remedy proposed by Vandemoortele involving the divestiture of Vandemoortele's Worcester plant (the **Worcester Plant**), along with all necessary supporting assets, contracts, rights, staff, Transitional Services Agreements (**TSAs**) and all of its existing customer relationships served by the Worcester Plant (together the '**Divestment Business**' or '**Remedy Proposal**').
2. On 22 April 2026, the Competition and Markets Authority (**CMA**), in exercise of its duty under [section 22\(1\)](#) of the Enterprise Act 2002 (the **Act**), referred the Merger for further investigation and report by a group of CMA panel members (the **inquiry group**).² Vandemoortele and Délifrance are together referred to as the **Parties** and, for statements referring to the future, the **Merged Entity**.
3. In its Interim Report on the reference notified to the Parties on 18 June 2026 (the **Interim Report**), the inquiry group provisionally concluded that the Merger has created a relevant merger situation that has resulted, or may be expected to result, in an SLC in the supply of frozen laminated dough (**LD**) products to retail and foodservice customers in the UK (**UK Customers**).³ This product category (referred to henceforth as **LD products**) comprises frozen French laminated dough products (such as croissants), Danish

¹ [CMA rules of procedure for merger, market and special reference groups \(CMA17\)](#), 2 January 2025.

² Under [Schedule 4](#) to the Enterprise and Regulatory Reform Act 2013.

³ See [Vandemoortele / Délifrance merger inquiry - GOV.UK](#).

pastries, and puff pastries, but excludes Italian style laminated dough products (such as Italian cornetti).

4. We provisionally concluded that the Merger, by removing the constraint that the Parties exerted on each other, has resulted, or may be expected to result, in an SLC, with alternative suppliers exerting an insufficient competitive constraint on the Merged Entity, thereby enabling the Merged Entity to raise prices and/or degrade non-price aspects of its competitive offering of LD products to UK Customers.
5. This invitation to comment on remedies sets out and consults on the actions which the CMA might take for the purpose of remedying the SLC and/or any resulting adverse effects provisionally identified in the Interim Report.⁴
6. We invite comments from the Parties and third parties on possible remedies by no later than **5pm on Thursday 25 June 2026**.

CMA criteria for remedies

7. In deciding on a remedy, the CMA shall in particular have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the SLC and any adverse effects resulting from it.⁵
8. To this end, the CMA will seek remedies that are effective in addressing the SLC and its resulting adverse effects and will select the least costly and intrusive remedy that it considers to be effective.⁶
9. The CMA will seek to ensure that no remedy is disproportionate in relation to the SLC and its adverse effects.⁷

Possible remedies on which views are sought

10. Vandemoortele has proposed a structural remedy which it submits could address the SLC provisionally identified in the Interim Report.
11. This Remedy Proposal is described in paragraph 1 above and, in more detail, in paragraphs 20 to 23 below.
12. The CMA may also consider an amended form, or amended forms, of the Remedy Proposal, and may also consider any other practicable remedies that the Parties, or any interested third parties, may propose that would be

⁴ See [Mergers: Guidance on the CMA's jurisdiction and procedure \(CMA2\)](#), 2 January 2025, paragraphs 12.6-12.9 and [Vandemoortele / Délifrance merger inquiry - GOV.UK](#).

⁵ Section 35(4) of the Act. [Merger remedies \(CMA87\)](#), 13 December 2018, paragraph 3.3.

⁶ [CMA87](#), 13 December 2018, paragraph 3.4.

⁷ [CMA87](#), 13 December 2018, paragraph 3.4.

effective in comprehensively addressing the SLC and any resulting adverse effects we have provisionally identified.

13. We have not yet reached any view on the effectiveness of the Remedy Proposal (or any amended form of it) in addressing the provisional SLC and resulting adverse effects that have been provisionally identified.
14. We have also not identified, or reached a view on the effectiveness of, any alternative structural remedies or any stand-alone behavioural remedies (ie ones that are not combined with structural remedies). While we are open to receiving submissions on alternative remedies, this invitation to comment on remedies focuses on structural remedies and, in particular, the Remedy Proposal (or an amended version, or versions, of it).
15. In defining the scope of a divestiture package that will address any SLC, the CMA will normally seek to identify the smallest viable, stand-alone business that can compete successfully on an ongoing basis and that includes all the relevant operations pertinent to the area of competitive overlap.⁸
16. The CMA will therefore generally prefer the divestiture of an existing business, which can compete effectively on a stand-alone basis, independently of the merger parties, to the divestiture of part of a business or a collection of assets. This is because divestiture of a complete business is less likely to be subject to purchaser and composition risk and can generally be achieved with greater speed.⁹
17. Where a proposed divestiture comprises part of a business or specified assets, the capabilities and resources of prospective buyers are likely to be more critical to a successful outcome than for a standalone business.¹⁰
18. The CMA will also consider whether a combination of measures is required to achieve a comprehensive solution – for example whether any behavioural remedies would be required in a supporting role to ensure the effectiveness of any structural remedies. The CMA will evaluate the impact of any such combination of measures on the provisional SLC or any resulting adverse effects.¹¹

⁸ CMA87, 13 December 2018, paragraph 5.7.

⁹ CMA87, 13 December 2018, paragraph 5.12.

¹⁰ CMA87, 13 December 2018, paragraph 5.13.

¹¹ CMA87, 13 December 2018, paragraph 3.47.

Vandemoortele's Remedy Proposal

19. Vandemoortele has prepared a non-confidential summary of the Remedy Proposal, which we have set out below.
20. *'Vandemoortele is proposing to divest its production site in Worcester and the related UK customer relationships, including all related assets, employees, contracts, agreements, related UK customer relationships and UK commercial staff (the **Divestment Business**') to an industry purchaser (including UK bakery product manufacturers).*
21. *The Divestment Business will include all 73 employees operating the Worcester Plant, together with a team of 12 commercial employees with significant experience and expertise in LD production and sales in the UK market.*
22. *To support the Divestment Business, and the success of the proposed remedy, Vandemoortele will offer to transfer its customer relationships currently supplied from the Worcester Plant, as well as additional production volumes as requested by its customers or the purchaser under toll/contractual manufacturing arrangements, in addition to customary transitional services agreements.*
23. *The Divestment Business represents a clear-cut structural remedy that is effective and capable of ready implementation. It addresses adverse effects at source, allowing the purchaser to efficiently commence operating Vandemoortele's LD production plant, creating an additional strong competitor to the UK market for the supply of LD.'*

Divestiture of an amended form, or amended forms, of the Divestment Business, and the divestiture of a broader and/or differently configured business

24. To the extent that the Divestment Business is insufficient to address the SLC and resulting adverse effects we have provisionally identified, we will consider whether there are amendments to the Remedy Proposal which would render it effective in addressing the SLC and resulting adverse effects we have provisionally identified.
25. Depending on responses to this invitation to comment on remedies, we may also consider whether the divestiture of a broader and/or differently configured business may be required.

Consultation on possible remedies

26. We invite views on whether the Remedy Proposal (in its current or in any amended form) or the divestiture of a broader and/or differently configured business would be effective in addressing the SLC provisionally identified in the Interim Report. In particular, in relation to the Remedy Proposal, we invite views on:
- (a) whether the Remedy Proposal effectively addresses the SLC and resulting adverse effects we have provisionally identified; and if not, the extent to which it should be modified to ensure that it effectively addresses the SLC we have provisionally identified; and
 - (b) the key risks associated with the Remedy Proposal that could undermine its effectiveness in addressing the provisional SLC and resulting adverse effects we have provisionally identified, and how these risks can be effectively mitigated.
27. In reaching its view on the points in 26(a) and 26(b) above, the CMA will have regard to the following critical elements of the Remedy Proposal:
- (a) The scope of the Divestment Business, ie:
 - (i) The potential of the Worcester Plant (in terms of capacity, machinery, etc) to serve UK Customers across a range of LD products.
 - (ii) Whether (additional) assets, certifications, supplier contracts, and staff need to be included in the Divestment Business and why.
 - (iii) The extent to which the current scope of the Divestment Business would enable a purchaser to retain UK Customers and win new UK Customers.
 - (b) The identity and availability of a suitable purchaser (ie one that is independent of the Parties, is capable of competing, is committed to competing in the relevant market, and does not create its own competition concerns).¹² The CMA will be especially interested in whether there are any specific factors to which the CMA should pay particular regard in assessing purchaser suitability, such as:
 - (i) Experience in supplying LD products to UK Customers (or LD products to customers in other geographies).

¹² CMA87, 13 December 2018, paragraphs 5.20-5.21.

- (ii) Existing capabilities with regard to supplying LD products to UK Customers (or LD products to customers in other geographies), in terms of, for instance: machinery, R&D and distribution networks.
- (iii) Scale (in terms of staff numbers, financial resources, and existing contracts or revenue in the same (or adjacent) industries).

Cost of remedies and proportionality

28. In order to be reasonable and proportionate, the CMA will seek to select the least costly remedy, or package of remedies, that it considers will be effective. The CMA will also seek to ensure that no remedy is disproportionate in relation to the SLC and its adverse effects.¹³ The CMA will not normally take account of costs or losses that will be incurred by the merger parties as a result of a divestiture remedy.¹⁴
29. We invite views on what costs are likely to arise in implementing the Proposed Remedy (in its current or in any amended form).

Relevant customer benefits

30. In deciding the question of remedies, the CMA may have regard to the effects of any remedial action on any relevant customer benefits (**RCBs**) in relation to the creation of the relevant merger situation.¹⁵
31. RCBs are limited by the Act to benefits to customers¹⁶ in the form of:¹⁷
- (a) 'lower prices, higher quality or greater choice of goods or services in any market in the United Kingdom [...]'; or
 - (b) greater innovation in relation to such goods or services'.
32. The Act provides that, in relation to a completed merger, a benefit is only an RCB if:
- (a) it accrues or may be expected to accrue to relevant customers within the UK within a reasonable period as a result of the creation of that situation; and

¹³ [CMA87](#), 13 December 2018, paragraph 3.6.

¹⁴ [CMA87](#), 13 December 2018, paragraphs 3.8-3.9.

¹⁵ Section 35(5) of the Act; see also [CMA87](#), 13 December 2018, paragraphs 3.15-3.16.

¹⁶ For these purposes, relevant customers are direct and indirect customers (including future customers) of the merger parties at any point in the chain of production and distribution; they are therefore not limited to final consumers (section 30(4) of the Act; see also [CMA87](#), 13 December 2018, paragraph 3.18).

¹⁷ Section 30(1)(a) of the Act; see also [CMA87](#), 13 December 2018, paragraph 3.17.

(b) it was, or is, unlikely to accrue without the creation of that situation or a similar lessening of competition.¹⁸

33. We welcome views on the nature of any RCBs and on the scale and likelihood of such benefits.

Next steps

34. Interested parties are requested to provide any views (in particular on the questions presented in paragraphs 26 and 27 above) in writing, including any practical alternative remedies they wish the CMA to consider, by **5pm on Thursday 25 June 2026**. Comments should be provided by email to vandemoortele.delifrance@cma.gov.uk.
35. A copy of this invitation to comment on remedies will be posted on the CMA website: [Vandemoortele / Délifrance merger inquiry - GOV.UK](#).

Martin Coleman
Inquiry Group Chair
18 June 2026

Note

- (i) This invitation to comment on remedies to remedy, mitigate or prevent the SLC or any resulting adverse effects is made having regard to the Interim Report announced on 18 June 2026. The Parties have until 5pm on Thursday 9 July 2026 to respond to the Interim Report. The CMA's findings may alter in response to comments it receives on its Interim Report, in which case the CMA may consider other possible remedies, if appropriate.

¹⁸ Section 30(2) of the Act; see also [CMA87](#), 13 December 2018, paragraph 3.19.