

COMPLETED ACQUISITION BY VANDEMOORTELE GROUP OF DÉLIFRANCE S.A.

Interim Report

ME/2244/25
18 June 2026

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Website: www.gov.uk/cma

**Members of the Competition and Markets Authority
who conducted this inquiry**

Martin Coleman (*Chair of the Group*)

Sir Kenneth Parker

Ashleye Gunn

Chief Executive of the Competition and Markets Authority

Sarah Cardell

The Competition and Markets Authority has excluded from this published version of the Interim Report information which the inquiry group considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [✂]. Some numbers have been replaced by a range. These are shown in square brackets. Non-sensitive wording is also indicated in square brackets.

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SUMMARY

OVERVIEW OF OUR INTERIM REPORT

1. The Competition and Markets Authority (**CMA**) has provisionally found that the completed acquisition by Vandemoortele Group (**Vandemoortele**) of Délifrance S.A. (**Délifrance**) has created a relevant merger situation (**RMS**) that has resulted, or may be expected to result, in a substantial lessening of competition (**SLC**) as a result of horizontal unilateral effects in the supply of frozen laminated dough products to retail and foodservice customers in the UK.
2. Vandemoortele agreed to acquire Délifrance pursuant to a share purchase agreement (**SPA**) signed on 12 June 2025 and which completed on 31 December 2025 (the **Merger**). Vandemoortele and Délifrance are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.

WHO ARE THE BUSINESSES AND WHAT PRODUCTS / SERVICES DO THEY PROVIDE?

3. Vandemoortele and Délifrance each supply frozen bakery products, such as croissants and pains au chocolat, to both retail and foodservice customers. The retail or foodservice customers bake these products on their premises and sell or serve them to end consumers.

OUR ASSESSMENT

Why are we examining this Merger?

4. The CMA's primary duty is to seek to promote competition for the benefit of consumers. It has a duty to investigate mergers that could raise competition concerns in the UK, provided it has jurisdiction to do so. The CMA has jurisdiction to review the Merger.
5. Where the CMA finds that a merger gives rise to a realistic prospect of competition concerns and refers it for an in-depth 'phase 2' investigation, merger parties are able to formally accept that the CMA has evidence that establishes, to the required legal standard (the balance of probabilities), that the merger results in an SLC. Such a 'concession' may facilitate the efficient conduct of a case, for example enabling the CMA to proceed more quickly to consideration of remedies.
6. On 30 April 2026, Vandemoortele notified the CMA that it accepts that the Merger may be expected to result in a SLC as a result of horizontal unilateral effects in the supply of frozen laminated dough products to retail and foodservice customers in

the UK as identified in the CMA's phase 1 investigation (the **SLC Concession**). Vandemoortele agreed to waive its right to challenge this position during the phase 2 inquiry and confirmed that it intended to submit remedies to address the SLC.

7. The inquiry group considered the requirements in the guidance to be met and that it would therefore be appropriate to accept the SLC Concession, notifying Vandemoortele of this on 15 May 2026. As a result, in line with the guidance we have sought to progress our inquiry substantially more quickly than we would have under an ordinary investigation timetable.

What evidence have we looked at?

8. The CMA gathered a wide range of evidence in relation to the competitive effects of the Merger during its phase 1 inquiry.
 - (a) The CMA received several submissions and responses to information requests from the Parties. The CMA gathered information about the products and services provided by the Parties and the competitive landscape in which they operate.
 - (b) The CMA also examined the Parties' own internal documents, which show how they run their business and how they view their rivals in the ordinary course of business.
 - (c) The CMA spoke to and gathered evidence from customers and competitors of the Parties to understand better the competitive landscape, to get their views on the impact of the Merger and gather market share data.
9. Given the SLC Concession, we have carried out targeted additional evidence-gathering at phase 2. This included a limited number of requests for information from the Parties and third parties.
10. We have assessed all the evidence in the round in reaching our provisional views on the Merger.

What did the evidence tell us

...about the effects on competition of the Merger?

11. The CMA looked at whether the Merger would lead to an SLC in the supply of frozen laminated dough products to retail and foodservice customers in the UK.
12. After assessing the Parties' internal documents, bidding data and speaking to – and gathering data from – third parties, the CMA found that the Parties are currently close competitors, and the Merged Entity would become the largest

supplier of frozen laminated dough products to retail and foodservice customers in the UK by a considerable margin. We have provisionally found that that the Merger would substantially lessen competition in the market for the supply of frozen laminated dough products to retail and foodservice customers in the UK by combining two major players that already enjoy strong respective market positions and exert a strong constraint on one another. While there is a broader range of competitors primarily active in continental Europe, the CMA has not seen evidence that this broader competitor set is relevant in the UK and would act as a sufficient competitive constraint on the Merged Entity post-Merger.

13. In phase 1, we also examined other product markets where both Parties compete including frozen bread, frozen patisserie, and frozen savoury snacks. However, the Parties have a limited overlap in these markets in the UK. The CMA found that there was sufficient competition in these markets and the Parties would continue to face a robust constraint from large, sophisticated and in some cases UK-based players in the supply of these products.

...about any entry or expansion?

14. The CMA considered whether entry or expansion into the market for the supply of frozen laminated dough products to retail and foodservice customers in the UK from either competitors or customers would be timely, likely and sufficient to mitigate the effect of the Merger on competition. On the basis of the evidence, including from customers and competitors, we have provisionally found that barriers to entry are generally significant and include the time and cost associated with purchasing new or extending old production lines and facilities. As a result, our provisional conclusion is that entry or expansion, driven by either suppliers or customers, would not be timely, likely and sufficient to prevent an SLC from arising.

PROVISIONAL CONCLUSION

15. On the basis of the evidence, we have provisionally concluded that the Merger has created an RMS, and the creation of that RMS has resulted, or may be expected to result, in an SLC in the supply of frozen laminated dough products to retail and foodservice customers in the UK.

WHAT HAPPENS NEXT?

16. We invite any interested parties to make representations to us on these provisional findings by no later than **5pm on Thursday 9 July 2026**.
17. Alongside this Interim Report, the CMA has published an Invitation to Comment on Remedies in order to consult on possible action to remedy, mitigate or prevent the

SLC provisionally identified. For more information on the phase 2 remedy process, see chapter 12 of [Mergers: Guidance on the CMA's jurisdiction and procedure \(CMA2\)](#) (2 January 2025).

FINDINGS

1. INTRODUCTION

- 1.1 This is the Interim Report of the inquiry group appointed to consider the completed acquisition (the **Merger**) by Vandemoortele Group (**Vandemoortele**) of Délifrance S.A. (**Délifrance**).^{1, 2} Both Parties are active in the supply of frozen laminated dough products to retail and foodservice customers in the UK (as defined later in this Interim Report).
- 1.2 On the basis of our assessment of the evidence, as set out below, we have provisionally concluded that the Merger has created an RMS that has resulted, or may be expected to result, in an SLC in the supply of laminated dough products to retail and foodservice customers in the UK (as more fully defined below).
- 1.3 The Interim Report sets out the reasoning for the provisional decisions as well as describing the evidence upon which those decisions are based.³ It provides interested parties with an understanding of the evidence the inquiry group has received and assessed in the investigation to date and the findings which we propose to draw from it.
- 1.4 The provisional decisions presented in this Interim Report are not our final decisions. These will be made at the end of the investigation and may vary from the provisional decisions presented in this Interim Report. Interested parties are invited to make written representations on any aspect of this Interim Report by **5pm on Thursday 9 July 2026**.

¹ On 22 April 2026, the Competition and Markets Authority (**CMA**) made a reference to its Chair under the sections [22\(1\)](#) and [34ZA\(2\)](#) of the Enterprise Act 2002 (the **Act**) for the constitution of a Group of CMA Panel Members (the **inquiry group**) to investigate and report on the completed acquisition by Vandemoortele of Délifrance. Vandemoortele and Délifrance are each a Party to the Merger; together they are referred to as the **Parties** and, for statements relating to the future, as the **Merged Entity**. The relevant terms of reference can be found on the [CMA website](#).

² The Interim Report has been notified to the Parties and is published pursuant to the [CMA rules of procedure for merger, market and special reference groups \(CMA17\)](#), 2 January 2025, Rule 11.

³ [Mergers: Guidance on the CMA's jurisdiction and procedure \(CMA2\)](#), 2 January 2025, paragraph 11.58.

2. CONCESSION OF SLC IDENTIFIED AT PHASE 1

- 2.1 Where the CMA finds that a merger gives rise to a realistic prospect of competition concerns and refers it for an in-depth ‘phase 2’ investigation, merger parties are able to formally accept that the CMA has evidence that establishes, to the required legal standard (the balance of probabilities), that the merger results in an SLC. Such a ‘concession’ may facilitate the efficient conduct of a case, for example enabling the CMA to proceed more quickly to consideration of remedies.
- 2.2 On 30 April 2026, Vandemoortele notified the CMA that it accepts that the Merger may be expected to result in a substantial lessening of competition as a result of horizontal unilateral effects in the supply of frozen laminated dough products to retail and foodservice customers in the UK as identified in the CMA’s phase 1 investigation (the **SLC Concession**).⁴ Vandemoortele agreed to waive its right to challenge this position during the phase 2 inquiry and confirmed that it intended to submit remedies to address the SLC.
- 2.3 The process that applies where merging parties request to concede an SLC is set out in ‘Mergers: Guidance on the CMA’s jurisdiction and procedure (CMA2)’, 2 January 2025 version (which is applicable to the present case).⁵ The inquiry group considered the requirements in CMA2 to be met and that it would therefore be appropriate to accept the SLC concession,⁶ notifying Vandemoortele of this on 14 May 2026. As a result, in line with CMA2 we have sought to progress our inquiry substantially more quickly than we would have under an ordinary investigation timetable.
- 2.4 In order to efficiently progress the investigation and reduce the information gathering burden on both the Parties and third parties, in the phase 2 inquiry the focus of our assessment has been on the evidence and information gathered in phase 1. Given the comprehensive information gathered in phase 1 we have undertaken targeted additional information gathering during the phase 2 inquiry, including by making a limited number of requests for information to the Parties and requests for information to third parties.
- 2.5 In reaching our provisional views in the phase 2 inquiry, we have considered the totality of the evidence in the round.

⁴ Parties’ email dated 30 April 2026.

⁵ [CMA2](#), 2 January 2025, paragraphs 7.27-7.30.

⁶ See: [Vandemoortele / Délifrance merger inquiry - GOV.UK](#).

3. RELEVANT MERGER SITUATION

- 3.1 This chapter addresses the first of the two statutory questions which we are required to answer under section 35(1) of the Act, namely, whether an RMS has been created.⁷
- 3.2 The concept of an RMS has two principal elements: (a) two or more enterprises have ceased to be distinct enterprises within the statutory period for reference; and (b) the turnover test and/or the share of supply test and/or the hybrid test is met.⁸ We address each of these elements in turn below.
- 3.3 For the reasons set out below, we have provisionally concluded that the Merger has resulted in the creation of an RMS, on the basis that the Parties are each enterprises that have ceased to be distinct within the relevant time period and that the turnover of Délifrance in the UK in its last financial year ending in June 2025 exceeded the £100 million threshold.

Enterprises ceasing to be distinct

Enterprises

- 3.4 The first element of the jurisdictional test is whether two or more enterprises have ceased to be distinct as a result of the Merger.⁹
- 3.5 The Act defines an ‘enterprise’ as ‘the activities or part of the activities of a business’.¹⁰ A ‘business’ is defined as including ‘a professional practice and includes any other undertaking which is carried on for gain or reward or which is an undertaking in the course of which goods or services are supplied otherwise than free of charge’.¹¹
- 3.6 Vandemoortele and Délifrance are both active in the business-to-business supply of frozen bakery products (including frozen breads, frozen morning goods and frozen savoury snacks) to retail and foodservice customers. Both Vandemoortele and Délifrance generate UK turnover. The turnover of Vandemoortele in the financial year ending December 2024 and December 2025 was approximately £110.9 million and £109 million respectively, in the UK;¹² and the turnover of

⁷ Section 35 of the Act.

⁸ Sections 23 and 24 of the Act.

⁹ Section 23 of the Act.

¹⁰ Section 129(1) of the Act.

¹¹ Section 129(1) of the Act. See also sections 129(3) and 130 of the Act.

¹² Vandemoortele's 2025 annual report, page 178, revenue per country table. Figures converted from EUR to GBP using the European Central Bank's average annual exchange rates for 2024 (€1:£0.84662) and 2025 (€1:£0.85679).

Délifrance in the financial year ending in June 2024 and June 2025 was approximately £[~~3~~] million and £[~~3~~] million respectively, in the UK.¹³

- 3.7 Therefore, our provisional conclusion is that each of Vandemoortele and Délifrance is a 'business' within the meaning of the Act and that, accordingly, the activities of each of Vandemoortele and Délifrance constitute an 'enterprise' for the purposes of the Act.

Ceasing to be distinct

- 3.8 The Act provides that any two enterprises 'cease to be distinct' if they are brought under common ownership or common control.¹⁴
- 3.9 On 12 June 2025, Vandemoortele NV, through its wholly owned subsidiary Vamix NV, agreed to acquire 100% of the equity of Délifrance from Vivescia Group pursuant to the SPA.¹⁵ This acquisition was completed on 31 December 2025. As a result, Vandemoortele acquired a controlling interest in Délifrance within the meaning of section 26 of the Act. Vandemoortele and Délifrance have therefore been brought under common ownership and common control.
- 3.10 Our provisional conclusion is therefore that the Merger has resulted in two or more enterprises (namely, the enterprises of Vandemoortele and Délifrance) ceasing to be distinct.

Turnover test or share of supply test or hybrid test

- 3.11 The second element of the jurisdictional test seeks to establish sufficient connection with the UK, on the basis of one of the turnover test,¹⁶ the share of supply test¹⁷ or the hybrid test.¹⁸
- 3.12 The turnover test is met where the value of the turnover in the UK of the enterprise being taken over exceeds £100 million.¹⁹
- 3.13 As the turnover of Délifrance in the UK in its last financial year ending in June 2025 was approximately £[~~3~~] million and exceeded the £100 million threshold, the turnover test is met. We are therefore not required to consider whether the share of supply test or the hybrid test is met.

¹³ Délifrance response dated 2 December 2025 to the CMA's s109 notice follow-up questions dated 1 December 2025, Table 3.

¹⁴ Section [26](#) of the Act.

¹⁵ FMN, paragraph 2.26.

¹⁶ Section [23\(1\)](#) of the Act.

¹⁷ Sections [23\(2\)-23\(4\)](#) of the Act.

¹⁸ Sections [23\(4C\)-23\(4G\)](#) of the Act.

¹⁹ Section [23\(1\)\(b\)](#) of the Act

Statutory time limit

- 3.14 The Merger was completed on 31 December 2025. Under section 24 of the Act, a completed merger must have taken place not more than four months before the CMA takes its decision to refer it to phase 2.²⁰ The four-month deadline for a decision to refer the Merger to phase 2 was therefore 30 April 2026. The decision to refer the Merger for a phase 2 investigation pursuant to section 22(1) of the Act on 22 April 2026 was made within the statutory time limit.²¹
- 3.15 Our provisional conclusion is therefore that the decision to refer the Merger for a phase 2 investigation was made within the applicable statutory time limit.

Provisional conclusion on RMS

- 3.16 In view of the above, we have provisionally concluded that the Merger has resulted in the creation of an RMS.

²⁰ Unless the merger took place without notice of material facts being given to the CMA or without material facts being 'made public'. Where notice of material facts is not given to the CMA, the statutory four-month clock will only start running from the time material facts about a transaction are 'made public', such that they are generally known or readily ascertainable. Section 24 of the Act. See also [CMA2](#), 2 January 2025, paragraphs 4.3(c) and 4.48(b).

²¹ The CMA commenced its phase 1 investigation on 10 October 2025. The statutory 40 working day deadline for the decision on whether the duty to refer arose was 8 December 2025. The CMA made the decision on whether the duty to refer arose on 8 December 2025 (the **CMA's Phase 1 Decision**). The Parties had until 15 December 2025 to offer undertakings in lieu of a reference to phase 2 and the CMA had until 22 December 2025 to decide whether there were reasonable grounds for believing that it might accept the undertakings in lieu offered by the Parties, or a modified version of them. The Parties submitted the proposed undertakings, which the CMA accepted in principle on 22 December 2025. On 18 February 2026, the statutory deadline for the CMA to decide whether to accept the proposed undertakings was extended to 22 April 2026 in accordance with section [73A\(4\)](#) of the Act. On 22 April 2026, after being informed by Vandemoortele that it was not in a position to submit a formal upfront purchaser proposal or final transaction documents, the CMA proceeded to refer the Merger for a phase 2 investigation pursuant to sections [22\(1\)](#) and [34ZA\(2\)](#) of the Act.

4. COUNTERFACTUAL

Introduction

- 4.1 Determining whether there is an SLC in the assessment of a merger involves a comparison of the prospects for competition with the merger against the competitive situation without the merger, which is referred to as the counterfactual.²²
- 4.2 At phase 2, we select the most likely conditions of competition as the counterfactual against which to assess the merger.²³
- 4.3 Our assessment of the counterfactual does not seek to ossify the market at a particular point in time. An assessment based on the prevailing conditions of competition can reflect that, absent the merger, the position of the merging parties and their competitors would have continued to evolve in the market.²⁴
- 4.4 As set out in the Merger Assessment Guidelines, the counterfactual may consist of the prevailing or pre-merger conditions of competition, conditions of stronger competition or conditions of weaker competition.²⁵ The Parties submitted that the counterfactual consists of the pre-Merger conditions of competition.²⁶ We have not seen evidence that supports an alternative counterfactual. Therefore, our provisional view is that the appropriate counterfactual is the pre-Merger conditions of competition.²⁷

²² [Merger Assessment Guidelines \(CMA129\)](#), 18 March 2021, paragraph 3.1.

²³ [CMA129](#), paragraph 3.13.

²⁴ [CMA129](#), paragraph 3.3.

²⁵ [CMA 129](#), paragraph 3.9.

²⁶ FMN, paragraph 4.

²⁷ FMN, paragraph 4.

5. INDUSTRY BACKGROUND

5.1 This chapter provides a brief overview of: (a) the Parties' activities in relation to bakery products; and (b) the supply of frozen laminated dough products to retail and foodservice customers in the UK in particular. This provides background for our subsequent assessment.

Overview of the Parties' activities in relation to bakery products

5.2 Both Parties are active in the business-to-business supply of bakery products to retail and foodservice customers which are delivered in a 'frozen' state, to be thawed or baked, before being resold to the end consumers as fresh products.^{28, 29, 30} The Parties submitted that bakery products are made of dough or batter, using a combination of raw ingredients such as flour and fats (eg butter, margarine, and blends). Bakery products may comprise both savoury and sweet products, and are generally differentiated by their preparation process, shape, filling, intended final use and consumption occasion.³¹

5.3 Frozen bakery products may be classified into the following broad categories:

- (a) Frozen bread – which includes standard white bread, special bread, as well as soft and toast bread, and flatbreads.³²
- (b) Frozen morning goods (**FMG**), also known as 'viennoiserie'³³ – which include laminated dough³⁴ products, and risen dough products such as brioche.³⁵ Within FMG, the two sub-categories we consider further below are:
 - (i) Frozen laminated dough products – which include French laminated dough products, Danish pastries, and puff pastries, among others.³⁶
 - (ii) Frozen French laminated dough (**FFLD**) products – a sub-category which includes croissants (plain and filled), pains au chocolat and pains au raisins.³⁷ These differ from other types of frozen laminated dough products, such as Italian style products (for example, Cornetti,

²⁸ FMN, paragraph 5.

²⁹ These products are also referred to as Bake-Off Products. FMN, paragraphs 11.6 and 14.34.

³⁰ Parties, Teach-in slides, 19 May 2026, Slide 4.

³¹ FMN, paragraph 11.1.

³² FMN, paragraph 11.2.

³³ FMN, paragraph 11.104.

³⁴ Laminated dough involves repeated layering of dough and fat (usually butter, margarine, or a blend of both) to create a flaky, airy texture upon baking. FMN, paragraph 11.3.

³⁵ FMN, paragraph 11.2.

³⁶ FMN, paragraph 11.2.

³⁷ FMN, paragraph 11.2.

Sfogliatelle) in their ingredients and the amount of cooling required in the production process.^{38,39}

- (c) Frozen patisserie – which includes cakes, tarts and pies, chou pastries, and multi-layered cream pastries. This category also encompasses frozen American sweet bakery items such as brownies, muffins and cookies.⁴⁰
- (d) Frozen savoury snacks – which include salty and savoury products (eg pizzas and topped baguettes) and puff and laminated products (ie sausage rolls and savoury puff pastries).⁴¹

5.4 The Parties' main overlap is in frozen laminated dough products and, more specifically, the FFLD category, where the Parties' combined UK share of supply exceeds 25%.⁴² In all other overlap areas, such as other frozen bakery products (eg bread, patisserie, savoury snacks), and wider FMG products (eg donuts), the Parties' combined shares of supply are low.^{43,44}

5.5 The starting point of our assessment is therefore the Parties' overlap in the supply of frozen laminated dough products, and in particular FFLD products.

Laminated Dough products

5.6 The production process for frozen laminated dough products (including FFLD products) involves industrial production lines that are equipped with specific tooling to roll, shape, laminate, cut and in some cases fill dough depending on the product required.⁴⁵

5.7 The Parties' primary customers of frozen laminated dough products are active in the retail and foodservice sectors. They bake-off or thaw the products and market them to end consumers.⁴⁶ Most retail and foodservice customers in the UK prefer frozen bakery products to be delivered in a 'ready to bake' (RTB) form.^{47,48} RTB products are proved in the factory before sale to the retail and foodservice

³⁸ See the discussion of the relevant product market in Chapter 6 below.

³⁹ Parties' response dated 20 May 2026 to the CMA's request for Information (RFI) dated 12 May 2026 (P2-RFI-01), question 1.

⁴⁰ FMN, paragraph 11.2.

⁴¹ FMN, paragraph 11.2.

⁴² FMN, paragraphs 9, 12 and 14.118.

⁴³ FMN, paragraphs 9-12, 11.108 and 14.118.

⁴⁴ Additionally, only Délifrance is active in the supply of fresh bakery products, packaged ambient bakery products, and packaged bakery products 'to bake' at home. Therefore, the Parties' activities do not overlap here. FMN, paragraph 14.8.

⁴⁵ FMN, paragraph 11.22.

⁴⁶ FMN, paragraph 11.6; and Parties, Teach-in slides, 19 May 2026, slide 4.

⁴⁷ The Parties submitted that proofing and baking can be skipped for customers, such as bakery chains, which are equipped with proofing chambers and are thus able to fine-tune the proofing and baking, depending on their habits and preferences. FMN, footnote 31.

⁴⁸ Parties' response dated 30 January 2026 to the CMA's questions dated 27 January 2026, part II, paragraph 1.1, page 9.

customers.⁴⁹ The [REDACTED] of the Merged Entity's sales of laminated dough to UK retail and foodservice customers are supplied in a RTB form.⁵⁰

- 5.8 As noted above, FFLD products differ from other styles of laminated dough products, such as Italian style products, in their ingredients and the amount of cooling required in the production process.⁵¹ For example, in response to CMA questionnaires the Parties and third parties stated that Italian style laminated dough products are more likely to include egg and have a lower butter content than French style products.⁵² This distinction is considered further in relation to the CMA's analysis of the relevant product market in Chapter 6 below.
- 5.9 Customers procure frozen laminated dough products in a number of ways with no uniform approach to contracting and tendering; for example, some prefer to maintain informal long-term relationships, whilst others tender frequently. Ultimately, we have found that this varies between each individual customer, with no discernible differences in preferred contracting between each sales channel.⁵³
- 5.10 We have found that the parameters of competition are broadly consistent across both retail and foodservice sales channels, as explained further at paragraph 6.16 below.

⁴⁹ Parties, Teach-in slides, 19 May 2026, slide 8.

⁵⁰ Vandemoortele response dated 20 May 2026 to the CMA's s109 notice dated 15 May 2026 (P2-s109-01) Annex 001.

⁵¹ See the discussion of the relevant product market in Chapter 6 below.

⁵² Parties' response to P2-RFI-01, question 1. Responses to the CMA's phase 2 customer questionnaire from a number of third parties, question 2. [REDACTED]

⁵³ Third party call notes: [REDACTED].

6. MARKET DEFINITION

Framework

- 6.1 The CMA is required to consider whether an SLC arises as a result of a merger, and where it considers it does so, this must be ‘within any market or markets in the United Kingdom for goods or services’.⁵⁴ An SLC can affect the whole or part of a market or markets.
- 6.2 Market definition provides a framework for assessing the competitive effects of a merger. The assessment of the relevant market is an analytical tool that forms part of the analysis of the competitive effects of the merger and should not be viewed as a separate exercise.⁵⁵ The outcome of any market definition exercise does not determine the outcome of the CMA’s analysis of the competitive effects of the merger in any mechanistic way. In assessing whether a merger may give rise to an SLC, the CMA may take into account constraints outside the relevant market, segmentation within the relevant market, or other ways in which some constraints are more important than others. We have taken these factors into account in the competitive assessment.⁵⁶
- 6.3 There is often no ‘bright line’ that can or should be drawn in market definition and the CMA will generally not need to come to finely balanced judgements on what is ‘inside’ or ‘outside’ the market. Not every firm ‘in’ a market will be equal and the CMA will assess how closely two merger firms compete. The constraint posed by firms ‘outside’ the market will also be carefully considered.⁵⁷ We have taken these factors into account in the competitive assessment.
- 6.4 Product market definition starts with the relevant products of the merger firms. Therefore, as a starting point, we considered the supply of FFLD products, which is the Parties’ primary overlap in the UK. In identifying what other significant competitive alternatives should be included in the relevant market, the CMA will pay particular regard to demand-side factors. The CMA may also consider supply-side factors.⁵⁸

⁵⁴ [Section 35\(1\)\(b\)](#) of the Act.

⁵⁵ [CMA129](#), paragraph 9.1.

⁵⁶ [CMA129](#), paragraph 9.4.

⁵⁷ [CMA129](#), paragraph 9.4.

⁵⁸ [CMA129](#), paragraph 9.6.

Product market

Parties' submissions

- 6.5 The Parties submitted that the most plausible relevant product market is the market for frozen bakery products (ie industrial frozen bake-off products to the exclusion of industrial fresh bakery products, packaged ambient bakery products, and packaged bakery products 'to bake' at home), potentially further segmented on the basis of the product category and customer type. Specifically, and as noted above, the Parties identified:
- (a) Four product categories, ie (i) frozen bread, (ii) FMG ('viennoiserie'), (iii) frozen patisserie, and (iv) frozen savoury snacks; and
 - (b) Two customer segments, ie (i) retail, and (ii) foodservice.⁵⁹
- 6.6 The Parties submitted that there is no absolute delineation between and within these product categories. For instance, the Parties submitted that morning goods or viennoiserie products are often presented alongside other products such as bread rolls, muffins, scones, brownies or cakes, which reflects a degree of substitutability.⁶⁰ The Parties also submitted the results of reports produced by Kantar which show that end consumers view other bakery goods as substitutes for laminated dough products.⁶¹
- 6.7 On the supply side, the Parties submitted that industrial bakers could reconfigure their production lines to produce similar types of frozen bakery products using the same equipment.⁶² However, while feasible, the Parties accept that, outside of frozen laminated dough products, capacity conversion across frozen bakery product categories is not common in practice.⁶³
- 6.8 The Parties submitted that further segmentation within FMG is not appropriate but that the narrowest possible product market is the production and supply of laminated dough-based FMG (ie both French style and Danish laminated dough-based products).⁶⁴ They submitted this was due to the supply-side substitutability between these products, as production lines which produce FFLD products can be easily switched to producing Danish and puff pastries, and that this happens regularly in practice.⁶⁵

⁵⁹ FMN, paragraph 11.104.

⁶⁰ FMN, paragraph 11.106.

⁶¹ Vandemoortele internal document; and Vandemoortele internal document.

⁶² FMN, paragraph 11.12.

⁶³ FMN, paragraph 11.13.

⁶⁴ FMN, paragraph 11.108.

⁶⁵ FMN, paragraphs 11.29-11.41.

Internal documents

- 6.9 The Parties' internal documents appear to refer most frequently to frozen laminated dough products⁶⁶ as being separate from other frozen bakery products such as frozen bread, patisserie, or other savoury products.⁶⁷ Internal documents regularly separate donuts and other sweet treats from frozen laminated dough products. For example:
- (a) Vandemoortele documents that provide a commercial outlook for the UK distinguish between frozen laminated dough products (referred to as 'pastry'), sweet treats (including donuts), patisserie, bread, and Italian savoury⁶⁸ and these documents provide separate in-depth analyses for the frozen laminated dough segment and the donut segment.⁶⁹
 - (b) Délifrance documents outlining strategies for its largest UK customers consistently refer to 'viennoiserie' separately from other bakery products such as bread and patisserie.⁷⁰
- 6.10 The majority of the Parties' internal documents reviewed by us did not distinguish in a significant way different product lines within frozen laminated dough products. Whilst market shares are typically analysed on a frozen laminated dough product basis, some internal documents analysed the performance, in terms of unit sales, of specific products or groups of products within the frozen laminated dough segment.⁷¹

Third party evidence

- 6.11 We asked the Parties' customers to what extent different frozen bakery products were good alternatives to FFLD products in the UK to assess the extent of any demand-side substitution.⁷² For each bakery product, customers were asked to score the substitutability of the products on a scale from 'Not at all good' to 'Very good'. Out of all customers that responded to the question:

⁶⁶ The exact terminology varies and is often referred to as either pastry, sweet pastry, or viennoiserie. Nevertheless, the products included in the term are broadly the same and are defined by us as Laminated Dough based products.

⁶⁷ Vandemoortele internal documents.

⁶⁸ Vandemoortele internal documents.

⁶⁹ Vandemoortele internal documents.

⁷⁰ Délifrance's response dated 20 October 2026 to the CMA's s109 notice dated 7 October 2026 (**P1-s109-02**), Annex 1, slides 3, 13, 14, 15 and 18; and Annex 4, slides 3, 5, 6, and 22.

⁷¹ Vandemoortele internal document; and Délifrance internal document, pages 4 and 7.

⁷² Appendix A contains a list of third party respondents to the CMA's customer questionnaires.

- (a) Over two-thirds submitted that Danish pastries are a good alternative to FFLD products.⁷³ Customers submitted that they have a similar taste profile⁷⁴ and texture⁷⁵ to FFLD products and are merchandised alongside them.⁷⁶
- (b) Just over half of respondents submitted that puff pastries were a good alternative to FFLD products.⁷⁷ Two customers noted that they are also consumed at breakfast.⁷⁸
- (c) Just over a third of respondents considered patisserie products to be good alternatives to FFLD products.⁷⁹
- (d) Less than a third considered risen dough or brioches,⁸⁰ or savoury products⁸¹ to be good alternatives to FFLD products.
- (e) Only one customer considered either donuts or bread to be a 'good' alternative to FFLD products, with all other customers who responded describing them as either 'not good' or 'not at all good'.⁸² One major retail customer stated that donuts are sold as sweet treats rather than pastries and tend to sell throughout the day, as opposed to pastries, which sell predominantly in the morning.⁸³

6.12 We also separately asked third parties about any potential differences between French style and Italian style laminated dough products. Retail and food service customers described the differences of Italian laminated dough in terms of the ingredients (less butter, more eggs, milk and sugar), the texture (less crisp/flaky, softer, more like brioche), the flavour (sweeter) and that they are more likely to be filled (which drives the flavour).⁸⁴ The retail and foodservice customers in the UK who responded to our questionnaire told us that they do not sell Italian style laminated dough products to end consumers.⁸⁵ A majority of the customers that responded to our questionnaire did not view Italian style laminated dough products as substitutable with French style laminated dough products for UK consumers due to the differences described above,⁸⁶ and given a Italian style laminated dough products are not widely recognised by UK consumers.⁸⁷ Only one retailer

⁷³ Response to the CMA's phase 1 customer questionnaire from a number of third parties, question 5. [X]

⁷⁴ Response to the CMA's phase 1 customer questionnaire from a third party, question 5. [X]

⁷⁵ Response to the CMA's phase 1 customer questionnaire from a third party, question 5. [X]

⁷⁶ Response to the CMA's phase 1 customer questionnaire from a third party, question 5. [X]

⁷⁷ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 5. [X]

⁷⁸ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 5. [X]

⁷⁹ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 5. [X]

⁸⁰ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 5. [X]

⁸¹ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 5. [X]

⁸² Response to the CMA's phase 1 customer questionnaire from a third party, question 5. [X]

⁸³ Response to the CMA's phase 1 customer questionnaire from a third party, question 5. [X]

⁸⁴ Response to the CMA's phase 2 customer questionnaire from a third party, question 1 and 2. [X]

⁸⁵ Responses to the CMA's phase 2 customer questionnaire from a number of third parties, question 3. [X]

⁸⁶ Responses to the CMA's phase 2 customer questionnaire from a number of third parties, question 2 and 3. [X]

⁸⁷ Responses to the CMA's phase 2 customer questionnaire from a number of third parties, question 2 and 3. [X]

thought Italian cornetti could be a good substitute for French laminated dough style croissants.⁸⁸

- 6.13 In order to assess the extent of any supply-side substitutability between these products, we asked the Parties' competitors how often the equipment used to manufacture different frozen bakery products are also used to manufacture FFLD products. Of all competitors that responded to the question:
- (a) Half submitted that the equipment used to make Danish pastries and puff pastries was often used to also make FFLD.⁸⁹ However, others submitted that it never or rarely happened.⁹⁰ One additional competitor stated on a call with us that Danish pastries are often margarine based which requires less temperature control than the butter used in FFLD products.⁹¹
 - (b) Half (and the same competitors who submitted equipment may be used to make Danish pastries, puff pastries and FFLD), submitted that savoury snack equipment was sometimes used to make FFLD, although these suppliers noted this was only the case for some savoury snack equipment and other suppliers submitted that it never happened.⁹²
 - (c) Most submitted that the equipment used to make risen dough/brioche is never used to make FFLD products.⁹³
 - (d) All competitors submitted that the equipment used to make donuts, patisserie products, and bread is never used to make FFLD products.⁹⁴ One supplier submitted that it would be impossible as a different process is used.⁹⁵
- 6.14 From a supply side-substitutability perspective, we consider that Italian laminated dough suppliers seeking to supply to UK customers are likely to face reputational barriers due to strong national preference for French style products, as shown by all UK customers having identified 'track record' as either an 'important' or 'very important' parameter of competition and also having only identified French style laminated dough suppliers as their alternative suppliers.⁹⁶
- 6.15 The CMA also notes that some frozen laminated dough products require specialised equipment or processes. For example, Délifrance's Bethune and

⁸⁸ Response to the CMA's phase 2 customer questionnaire from a third party, question 3. [REDACTED] As noted above, French and Italian style LD can differ in terms of ingredients and the level of temperature control required during the production process). Vandemoortele and Délifrance told us that they do not sell [REDACTED] style LD products (for example, [REDACTED]) to UK customers. Parties response to P2-RFI-01, question 1.

⁸⁹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 4. [REDACTED]

⁹⁰ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 4. [REDACTED]

⁹¹ [REDACTED] call note.

⁹² Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 4. [REDACTED]

⁹³ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 4. [REDACTED]

⁹⁴ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 4. [REDACTED]

⁹⁵ Response to the CMA's phase 1 competitor questionnaire from a third party, question 4. [REDACTED]

⁹⁶ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, questions 7 and 10. [REDACTED]

Avignon plants do not currently have the capability to produce some [redacted] products, [redacted] products, or [redacted] products that have certification requirements.⁹⁷ This suggests that supply-side substitutability can be more complex for certain frozen laminated dough products where such specialised equipment or processes are required.

- 6.16 To establish whether there are any differences between the retail and foodservice channels, we asked frozen bakery product suppliers to identify the types of customers they supply to. In response, most respondents to this question stated that they supply their full catalogue of products to both retail and foodservice customers.⁹⁸ Calls with third parties provided mixed evidence as to whether there are marked differences between the two channels. One supplier told us that the line between retail and foodservice channels is blurry and that mostly the same suppliers compete across both channels.⁹⁹ The supplier also said that at the same time, there are slight differences in the product specifications between retail and foodservice customers, though the products are ultimately similar.¹⁰⁰ Another supplier told us that there are differences between the supply arrangements for the foodservice and retail channel.¹⁰¹ In internal documents assessing the UK market, Vandemoortele sets out UK market shares on the basis of a total UK market combining retail and foodservice, and then also separates out markets shares for each segment.¹⁰²
- 6.17 We considered evidence on any differences in the parameters of competition between retail and foodservice customers. All customers, regardless of the sales channel, identified price, product quality, service level, supplier's capacity, track record, and the treatment and labelling of allergens as either 'important' or 'very important' parameters of competition for frozen laminated dough products.¹⁰³ Similarly, when asked to list suppliers that are active in frozen laminated dough products, the competitor set identified by third parties was broadly consistent across both retail and foodservice. In particular, the Parties, Bridor, and Lantmännen were the most commonly identified and most highly rated alternatives by both foodservice and retail customers.¹⁰⁴

Our analysis

- 6.18 The boundaries of the relevant product market are generally determined by reference to demand-side substitution alone. However, there are circumstances where the CMA may consider supply-side factors, for example if: (a) firms routinely

⁹⁷ Parties response to the CMA's questions of 20 February 2026, paragraphs 2.2-2.4 and 3.5-3.6.

⁹⁸ Responses to the CMA questionnaire from a number of third parties, October 2025, question 2. [redacted]

⁹⁹ The supplier stated that there is some additional competition in relation to foodservice customers where some smaller, speciality viennoiserie suppliers bid on certain tenders. [redacted] call note.

¹⁰⁰ [redacted] call note.

¹⁰¹ [redacted] call note.

¹⁰² Vandemoortele internal document.

¹⁰³ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 7. [redacted]

¹⁰⁴ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 7 [redacted]; and [redacted] call note. Further detail on the customers identified can be found in the competitive assessment, below.

use their existing production assets to supply a range of different products that are not demand-side substitutes; and (b) the same firms compete to supply these different products, and the conditions of competition are the same for each product.¹⁰⁵

- 6.19 We considered whether it is appropriate, in light of the overlap between the Parties, to treat the supply of FFLD products as the relevant product market. Evidence from customers indicates that Italian style laminated dough products are generally not seen as substitutable with French style laminated dough products for UK consumers. This was due to differences in product characteristics, and lack of awareness of these products by UK consumers that limit demand side substitutability. However, third party evidence indicates that Danish pastries and puff pastries are generally considered a good alternative to FFLD products by most customers.
- 6.20 Accordingly, based on demand-side substitution, we consider the relevant product market is the supply of frozen laminated dough products, comprising FFLD, Danish pastries, and puff pastries, but excluding Italian style laminated dough products (**LD products**).
- 6.21 We consider that the conditions of competition likely vary across the different products as shown by highly different shares of supply (see Table 7.1 below). In addition, the third party evidence indicates that Danish pastries and puff pastries are not supply-side substitutes for half of the suppliers and there are some differences in the production processes for each product. Nevertheless, in this case it has not been necessary to conclude on the degree of supply-side substitutability as the relevant products have been aggregated based on demand-side substitution which is the primary determinant of market definition.¹⁰⁶
- 6.22 In assessing whether a merger may be expected to give rise to an SLC, the CMA may take into account segmentation within the relevant market.¹⁰⁷ Consequently, while FFLD, Danish pastries, and puff pastries are considered part of the same market, we considered whether suppliers focusing on puff pastries and Danish pastries may place a weaker constraint on suppliers focusing on FFLD, such as the Parties, in the competitive assessment.
- 6.23 We also considered whether the relevant market should include other frozen bakery products such as risen dough / brioches, bread, savoury snacks and patisserie. However, from the demand-side substitutability perspective, no other frozen bakery products were generally considered to be a good or very good alternative to FFLD by third parties. As noted above, the Parties' internal

¹⁰⁵ [CMA129](#), paragraph 9.8.

¹⁰⁶ [CMA129](#), paragraph 9.7.

¹⁰⁷ [CMA129](#), paragraph 9.4.

documents also frequently evaluate LD products separately to other bakery products.

- 6.24 We consider that the available evidence does not indicate that firms routinely use their existing production assets for other bakery products to produce LD products. In addition, the estimated shares of supply vary significantly across the different categories of bakery products, implying different conditions of competition.¹⁰⁸ We therefore do not consider it appropriate, on either demand or supply-side substitutability, to evaluate a wider market comprising of LD products and other frozen bakery products.
- 6.25 We do not consider it necessary to define separate relevant markets for retail and foodservice customers as the evidence indicates that: (i) there are no material differences in the key parameters of competition between retail and foodservice customers; and (ii) there is little difference in the competitor sets. Therefore, we consider that the supply to foodservice and retail customers in the UK is the appropriate market definition and narrower segmentation is not appropriate.

Provisional conclusion on the product market

- 6.26 In light of the analysis above, we have provisionally concluded that the relevant product market is the supply of LD products, comprising FFLD, Danish pastries, and puff pastries, but excluding Italian style laminated dough products.

Geographic market

- 6.27 As with product markets, the CMA's focus in defining geographic markets is on demand-side factors and identifying the most important competitive alternatives to the merger firms.¹⁰⁹ The CMA may consider evidence such as information on the competitive performance of firms across different geographic areas, information on differences in pricing and other parameters across geographic areas, product characteristics such as perishability, and the views of market participants.

Parties' submission

- 6.28 The Parties submitted that the most plausible relevant geographic market is likely to be national.¹¹⁰ The Parties submitted that previous merger investigations had shown national differences in consumption, habits, taste, brands and pricing across different countries, with prices often negotiated on a national level.¹¹¹

¹⁰⁸ FMN, Table 25.

¹⁰⁹ [CMA129](#), paragraph 9.13.

¹¹⁰ FMN, paragraph 11.111.

¹¹¹ FMN, paragraph 11.110.

6.29 However, the Parties also submitted that from a supply side perspective, a regional delineation offers a more accurate reflection of the competitive landscape and that this regional approach should include Belgium, Denmark, France, Germany, the Netherlands, and the UK.¹¹² They submitted that suppliers of frozen bakery products operate centralised production facilities that supply frozen bakery products to multiple countries. As products can be transported easily and competitively over distances of up to 1,400 km, competitive constraints are exerted by existing and potential cross-border suppliers.¹¹³ To further support this, the Parties submitted that the UK is supplied in large part by plants located in Belgium, France, Germany, Denmark and the Netherlands, and that many suppliers do not operate production facilities in the UK.^{114,115}

Our analysis

6.30 We have therefore considered both if the relevant geographic market is wider than the UK or if it is narrower; in particular, if it should be segmented into separate geographic markets for Great Britain and Northern Ireland.

6.31 First, we consider that the available evidence, on balance, points to a market that is no wider than the UK:

- (a) The Parties' internal documents are broadly supportive of a UK market definition showing country-specific market characteristics and national-level customer negotiations. For example, Vandemoortele creates UK-specific country commercial outlooks with UK-specific competitor analysis and UK-wide market shares.¹¹⁶ Another Vandemoortele market research document shows that there are country-specific nuances to pastry preferences.¹¹⁷ Similarly, Délifrance submitted a series of UK-specific documents, which set out account plans for key UK customers.¹¹⁸
- (b) While we received third party evidence that suppliers can (and do) supply into the UK from across Northern Europe,¹¹⁹ there is also evidence that the conditions of competition may differ between countries. For example, Vandemoortele's merger rationale documents show that the Parties' market positions in the supply of bakery products vary significantly across Northern

¹¹² FMN, paragraph 11.112.

¹¹³ FMN, paragraph 11.111.

¹¹⁴ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, Section 1.

¹¹⁵ We note that Vandemoortele supplies the large majority of LD product volumes to UK customers from its plants in the UK ([redacted]%), however it also supplies a material proportion from Belgium ([redacted]%), and France ([redacted]%), and Délifrance supplies all UK volumes from France. CMA analysis of the Parties' data submitted to the European Commission, November 2025.

¹¹⁶ Vandemoortele internal documents.

¹¹⁷ Vandemoortele internal document.

¹¹⁸ Délifrance response to P1-s109-02, Annexes 2, 6 and 4.

¹¹⁹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 6. [redacted]

Europe. In these documents, the Parties' positions range from being among the strongest players in the UK to relatively weak players in Germany.¹²⁰

6.32 Second, we also consider that evidence points to a market that is no narrower than the UK. Based on evidence from customers¹²¹ and competitors¹²² we have not identified any material differences in the set of active suppliers between Great Britain and Northern Ireland.

Provisional conclusion on the geographic market

6.33 Based on the evidence gathered, we have provisionally concluded that the appropriate geographic market for the supply of LD products comprising FFLD, Danish pastries and puff pastries, but excluding Italian style laminated dough products is UK-wide.¹²³ The potential competitive constraint posed by suppliers who do not currently supply in the UK is considered as part of the competitive assessment.

Provisional conclusion on market definition

6.34 For the reasons set out above, we have provisionally concluded that the relevant market is the supply of LD products in the UK, comprising FFLD, Danish pastries, and puff pastries, but excluding Italian style laminated dough products.

¹²⁰ Vandemoortele internal documents.

¹²¹ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 7. [X] Of the customers active in Northern Ireland and Great Britain [X], none submitted that there was a difference in the set of suppliers available in Northern Ireland; one customer [X] submitted that its Northern Ireland suppliers use the same suppliers, and another [X] submitted that there was no difference in Northern Ireland compared to Great Britain. However, one customer [X] did submit that its Northern Ireland business is covered by its European division, rather than its Great Britain division.

¹²² Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 8. [X] Of the suppliers active in Northern Ireland [X], two [X] submitted that the set of suppliers is the same/similar between Great Britain and Northern Ireland, one [X] submitted that there may be some additional local players, while another [X] submitted that Ayzta may be a stronger player as it has a facility in Ireland.

¹²³ The Parties agreed with a UK-wide geographic market in their response to the Issues Letter. Parties' response to the Issues Letter, 17 November 2025, paragraph 3.14.

7. COMPETITIVE ASSESSMENT

Introduction

7.1 We have investigated a horizontal unilateral effects theory of harm (**TOH**) for the product market identified in Chapter 6, ie horizontal unilateral effects in the supply of LD products to retail and foodservice customers in the UK.

TOH: Horizontal unilateral effects in the supply of LD products to retail and foodservice customers in the UK

7.2 Horizontal unilateral effects may arise when one firm merges with a competitor that previously provided a competitive constraint, allowing the merged entity profitably to raise prices or to degrade quality on its own and without needing to coordinate with its rivals.¹²⁴ Horizontal unilateral effects are more likely when the parties to a merger are close competitors.¹²⁵

7.3 Closeness of competition is a relative concept. The CMA will consider the overall closeness of competition between the merger firms in the context of the other constraints that would remain post-merger. Where there is evidence that competition mainly takes place among few firms, any two would normally be sufficiently close competitors that the elimination of competition between them would raise competition concerns, subject to evidence to the contrary.¹²⁶ In addition, where one merger firm has a strong position in the market, even small increments in market power may give rise to competition concerns.¹²⁷

7.4 We assessed whether it is or may be the case that the Merger has resulted, or may be expected to result, in an SLC as a result of horizontal unilateral effects in the supply of LD products to retail and foodservice customers in the UK. In this assessment we have considered evidence from:

- (a) The Parties' submissions;
- (b) Shares of supply;
- (c) Bidding data;
- (d) Third party evidence; and
- (e) Internal documents.

¹²⁴ [CMA129](#), paragraph 4.1.

¹²⁵ [CMA129](#), paragraph 4.8.

¹²⁶ [CMA129](#), paragraph 4.10.

¹²⁷ [CMA129](#), paragraph 4.12(a).

Parties' submissions

7.5 The Parties made a range of submissions to us on various topics throughout the course of the phase 1 investigation, including in response to our Issues Letter. These submissions are considered throughout this Interim Report based on the category of evidence to which the submissions relate. However, two core submissions of the Parties are first summarised below.

Parties' submissions on competitive landscape in LD products

7.6 The Parties estimated shares of supply based on their own data and data from GIRA¹²⁸ for the supply of Laminated Dough-based frozen Morning Goods for 2022–2024. According to these estimates, by volume, the Parties' combined market share in retail for 2024 was [50-60]% with an increment of [20-30]%. In foodservice, the Parties' combined market for 2024 was [50-60]% with an increment of [20-30]%.¹²⁹ Across retail and foodservice, the combined market share was [50-60]% with an increment of [20-30]%.¹³⁰

7.7 The Parties submitted that these shares may underestimate the market power and presence of other suppliers in the market because of limitations in GIRA's methodology.¹³¹ The Parties therefore also submitted refined shares of supply for the retail segment, based on a bottom-up analysis of major UK retailers' tender volumes and projected demand. According to this analysis, the Parties' combined share of supply, by volume in LD products in the UK, is [40-50]% with an increment of [20-30]%.¹³² The Parties further submitted that the Parties' shares of supply at a Northwestern European level, across both channels combined (including the UK, Belgium, France, Germany, Denmark and the Netherlands), drops to [30-40]% with an increment of [10-20]%.¹³³ When reflecting on the shares estimated by us, the Parties submitted that the shares are evidence that not less than seven alternatives compete in the UK market and undermines the suggestion that the market is highly concentrated.¹³⁴

7.8 The Parties submitted that market shares, more broadly, are a poor proxy for market power given they fail to reflect:¹³⁵

¹²⁸ Gira & Associates SAS are a research and consulting company specialising in the food and drink sector worldwide.

¹²⁹ FMN, Table 29.

¹³⁰ CMA analysis of the Parties' volume estimates.

¹³¹ FMN, paragraph 14.120.

¹³² The Parties' combined share of supply in retail is [40-50]% with an increment of [20-30]%. In foodservice, the combined market share is [40-50]% with a [20-30]% increment. Parties' submission to the CMA, 3 December 2025.

¹³³ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, paragraphs 1.2-1.3.

¹³⁴ Parties' submission to the CMA, 3 December 2025.

¹³⁵ FMN, paragraphs 14.124-14.127.

- (a) The highly competitive, tender driven environment in both retail and foodservice where losing a single tender can lead to large swings in market shares;
- (b) The continued ability of customers to play suppliers off against each other; and
- (c) The impact of significant capacity expansion underway in the market.

7.9 The Parties submitted that Vandemoortele and Délifrance are not particularly close competitors. The Parties submitted that they have different value propositions, distinct product focuses and serve different customers.¹³⁶ For instance, the Parties submitted that Délifrance has a focus on puff pastries.¹³⁷

7.10 In addition, the Parties stated that the Merged Entity will continue to face competition from a large number of well-established and well-resourced competitors who will remain credible bidders and alternative suppliers.¹³⁸ This includes UK market leaders Bridor and Lantmännen as well as Aryzta, Europastry, Neuhauser, La Lorraine, and Gourmand.¹³⁹ The Parties submitted that each of these suppliers has the relevant characteristics to compete in the UK,¹⁴⁰ and that their competitive strength is evidenced by internal documents where these competitors are frequently monitored.¹⁴¹

7.11 Specifically with regard to Aryzta and Europastry, the Parties submitted that:

- (a) Europastry is one of the most dynamic competitors in the UK market currently and has recently been successful in winning key [X] volumes from [X].¹⁴² The Parties submitted that Europastry recently won the [X] croissant and pains au chocolat lines from [X], and that the loss of these premium lines reflects the constraint posed by Europastry. The Parties provided evidence that this quality-based loss had been noticed by other customers across the industry.¹⁴³
- (b) Aryzta is a key supplier to the largest retailer of LD products in the UK ([X]), and this relationship has enabled it to build a significant market share.¹⁴⁴ The

¹³⁶ FMN, paragraphs 14.199-14.200; and Parties' submission to the CMA, 17 October 2025, Key Issues Paper, Section 4.

¹³⁷ Parties' submission to the CMA, 3 December 2025.

¹³⁸ FMN, paragraph 14.140.

¹³⁹ Parties' response to the Issues Letter, 17 November 2025, section 5.

¹⁴⁰ Parties' response to the Issues Letter, 17 November 2025, table 3. The relevant characteristics to compete in the UK submitted by the Parties are: (i) expertise in laminated products; (ii) high product & service quality; (iii) LD relationships with UK customers; (iv) other relationships with UK customers; (v) dedicated UK sales team; (vi) NW Europe production presence with sufficient capacity; (vii) plant(s) with BRC accreditation; and (viii) logistics/supply into UK.

¹⁴¹ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, Section 4.

¹⁴² Parties' response to the Issues Letter, 17 November 2025, paragraph 5.12.

¹⁴³ Vandemoortele internal document, Annex 25 to the Parties' response to the Issues Letter, 17 November 2025.

¹⁴⁴ Parties' response to the Issues Letter, 17 November 2025, paragraph 5.12.

Parties also submitted that they have limited visibility of [X] volumes, which has caused them to historically underestimate Aryzta's competitive strength.

- 7.12 The Parties also submitted that the Parties are subject to significant competitive pressure from bakery manufacturers active in adjacent product categories and / or geographic areas.¹⁴⁵ The Parties submit this is due to the high degree of supply-side substitutability in bakery manufacturing¹⁴⁶ as well as the ease with which frozen baked goods can be imported into the UK.¹⁴⁷
- 7.13 Moreover, the Parties submitted that customers across both retail and foodservice in the UK are highly sophisticated and enjoy considerable buyer power.¹⁴⁸ They submit that customers will continue to be able to threaten to switch, which will deter the Merged Entity from (hypothetically) raising prices or reducing quality.¹⁴⁹ The Parties provided examples of recent customer negotiations as evidence of the customer pressure they face.¹⁵⁰ Our assessment of the Parties' submissions on buyer power is covered in further detail in Chapter 8.

Parties' submissions that a static view of the past is not a reliable indicator of current and future competitive dynamics

- 7.14 The Parties submitted that the period 2022-2024 is not an appropriate period to evaluate the impact of the Merger and that, in 2025, a confluence of three factors means the market is now entering a period of increasing excess capacity.¹⁵¹ These are:
- (a) A sharp fall in butter prices, a key input of LD products;
 - (b) Lower demand for LD products in Europe and UK than expected, with no year-on-year growth in demand; and
 - (c) Additional capacity coming online, following investments made following the COVID-19 pandemic in anticipation of greater demand.
- 7.15 The Parties submitted that these changes are already resulting in: (i) even more aggressive negotiations on price, commercial terms and quality and service levels;¹⁵² and, critically (ii) the opportunity for customers to re-think their entire sourcing strategy, as exemplified by the recent uptick in (very large and, in some

¹⁴⁵ FMN, paragraph 14.208.

¹⁴⁶ FMN, paragraph 14.210.

¹⁴⁷ FMN, paragraph 14.211.

¹⁴⁸ FMN, paragraph 14.190.

¹⁴⁹ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, paragraph 5.2.

¹⁵⁰ Parties' response to the Issues Letter, 17 November 2025, paragraphs 4.4-4.7.

¹⁵¹ Parties' response to the Issues Letter, 17 November 2025, section 2 and paragraph 2.10.

¹⁵² For example, Vandemoortele provided examples of customers raising the falls in butter prices when discussing pricing. Parties' response to the Issues Letter, 17 November 2025, paragraph 4.6(e); and Vandemoortele internal documents, Annexes 14 and 15 to the Parties' response to the Issues Letter, 17 November 2025.

cases, international) tenders, contested by multiple bidders, as well as recent customer switching (eg [X] on its core pastry products).¹⁵³

- 7.16 In addition, the Parties submitted that their competitors already have a large manufacturing footprint in the UK and/or Europe and are expected to have surplus capacity which will enable them to meet any increased UK demand.¹⁵⁴ Moreover, the Parties provided analysis showing that many of these companies are currently investing in increasing their capacity.¹⁵⁵
- 7.17 The Parties argued that there is therefore sufficient market capacity to enable even their largest customers to partially or fully shift volumes away from the Merged Entity to defeat any hypothetical increase in prices or deterioration in quality.¹⁵⁶ The Parties also argued that in periods of growing and excess capacity, sophisticated retailers and foodservice customers benefit from increased bargaining power and take the opportunity to launch new tender rounds.^{157,158}
- 7.18 To support this, the Parties submitted additional evidence sourced from the manufacturers of laminated dough production lines on the number of production lines and corresponding capacity installed in the EU and UK over the last two years. This data shows that approximately 1,100 kT of manufacturing capacity has been installed in each of the last two years across the EU and the UK.¹⁵⁹
- 7.19 The Parties submitted that these significant investments and expansions are further increasing market capacity. The Parties submitted market intelligence of competitor investments in capacity and estimate that over 100 kT of capacity has been added in 2024-2025 and that further expansions and investments are planned or ongoing by essentially all main players.¹⁶⁰ The Parties submitted that many of these expansions in capacity are in areas well suited to supply the UK market.¹⁶¹

Our assessment of the Parties' claim that a static view of the past is an unreliable indicator of current and future competitive dynamics

- 7.20 We address each of the trends identified by the Parties in turn.

¹⁵³ Parties' response to the Issues Letter, 17 November 2025, section 2.2.

¹⁵⁴ FMN, paragraph 14.142.

¹⁵⁵ FMN, Table 7; and Parties' submission to the CMA, 17 October 2025, Key Issues Paper, Section 3.

¹⁵⁶ FMN, paragraph 14.197.

¹⁵⁷ Parties' response to the Issues Letter, 17 November 2025, paragraph 2.10.

¹⁵⁸ The Parties also submitted that there has been an increase in international tenders, which increases the competitive pressure from European suppliers and enables them to gain market share in the UK, eg Aryzta and Neuhauser with Lidl (see Parties' response to the Issues Letter, 17 November 2025, paragraph 4.9). We have not received evidence that international tenders are likely to increase further, but the extent to which it means alternative suppliers are stronger competitors has been covered in the competitive assessment below.

¹⁵⁹ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, Section 3; and Parties' submission to the CMA, 6 November 2025, Remedies Paper, Annex 2.

¹⁶⁰ FMN, paragraph 11.61.

¹⁶¹ Parties' response to the Issues Letter, 17 November 2025, Table 2.

- 7.21 First, with regards to the Parties' submission that raw material costs are decreasing, we do not consider there is any direct link between butter prices declining and the impact of the Merger given these conditions would apply equally in the counterfactual. The argument that price negotiations may result from the reduction in commodity prices gives limited insight into the competitive constraints the Parties face in the market and how that may change as a result of the Merger.¹⁶² Rather, it is the identity of the alternative suppliers being considered by customers as part of any such negotiations that is relevant and we have seen no evidence that this is likely to change materially.
- 7.22 Second, with regards to the Parties' submission that demand is softening, there is some evidence that volume demand for pastries has slowed this year. The Parties' internal documents show that recent volume growth has been low, albeit the overall growth in spend on LD products has remained strong with 8.6% growth in the 12 months to 10 August 2025.¹⁶³ While there are limitations in the IRI data submitted by the Parties (it excludes several major UK retailers and does not cover the foodservice market), this data does show a reduction in volume growth. However, documents that identified the slowdown in demand did not show an expectation of a resulting material effect on either capacity or competition.
- 7.23 Third, with regards to the Parties' submission that, due to these factors and additional capacity being brought online, there is, and will be, significant excess capacity in the market, the Merger Assessment Guidelines recognise that the extent of available capacity can be relevant to the likelihood of an SLC as a result of horizontal unilateral effects. In particular, where firms have significant spare capacity, they may be better able to compete. Conversely, firms facing capacity constraints may not be able to serve customers switching away from rivals and may provide a less effective constraint.¹⁶⁴
- 7.24 In this case, we note that the Parties' submissions relate to potential additional capacity or increases in capacity that are not related to the Merger (this includes the additional c. [✂] kT of capacity the Parties reported they are adding).¹⁶⁵ As a result, we consider that they are most appropriately considered as part of our competitive assessment, rather than as countervailing entry or expansion in response to the Merger.
- 7.25 The presence of excess capacity does not in itself prevent the likelihood of an SLC arising as a result of a merger. As noted above, markets with greater excess

¹⁶² As noted in footnote 114, Vandemoortele provided an example of a customer raising butter prices during pricing negotiations. The evidence provided is not sufficient to allow us to determine if price negotiations have increased or changed in tone due to the changes in butter prices.

¹⁶³ Vandemoortele internal document, Annex 28 to the Parties' response to the Issues Letter, 17 November 2025, slide 45.

¹⁶⁴ [CMA129](#) at paragraph 4.12(c) and 4.38(c) in the context of differentiated and undifferentiated markets, respectively.

¹⁶⁵ Vandemoortele response dated 17 October 2025 to the CMA's s109 notice dated 7 October 2025 (**P1-s109-02**), Table 1; and Délifrance response to P1-s109-02, question 1.

capacity are likely to be more competitive than markets with less excess capacity because suppliers have a greater incentive to compete when they have more excess capacity. However, if customers have a limited number of options, and the merger removes an important option within the market, then an SLC can still arise, especially where such excess capacity is held by suppliers that are not considered credible options by customers in the UK, or if the excess capacity is (disproportionately) held by the merging parties.

7.26 Nevertheless, we have considered the extent to which (a) there is current excess capacity in the market; and (b) that additional capacity is being brought online. Then, we considered the extent to which this affects the competitive dynamics in the UK.

7.27 We received evidence on the extent to which excess capacity is currently available in the market:

- (a) Most competitors that responded to our market testing submitted that their plants are running at, or close to, full capacity or that, due to regulatory requirements, only a relatively small amount of capacity is available for the UK market.¹⁶⁶ One supplier submitted that there is a significant capacity constraint in the market, and though there are a number of EU based players investing to increase their capacity, the rate of growth in demand for laminated dough products will outstrip the ability to provide additional capacity in the market.¹⁶⁷ This was a trend that it submitted seemed likely to continue over a period of several years. In addition, we note that the Parties' own production sites for laminated dough products are running at, or close to, capacity with none of the Parties' sites running below [REDACTED]% utilisation.¹⁶⁸
- (b) While limited, some evidence from customers also indicates that there may be capacity constraints:
 - (i) A major grocery retailer submitted that it considers the whole viennoiserie market to be capacity constrained.¹⁶⁹
 - (ii) A major grocery retailer submitted that it can be hard to get the necessary capacity in the market and that there tends to be a lack of available volume in the UK. It further submitted that it does not think it has an alternative supplier it could switch its volumes to in the short term.¹⁷⁰

¹⁶⁶ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 5. [REDACTED]

¹⁶⁷ [REDACTED] call note.

¹⁶⁸ FMN, Tables 10, 11, and 13.

¹⁶⁹ [REDACTED] call note.

¹⁷⁰ [REDACTED] call note.

- (iii) A major grocery retailer submitted that it would be difficult to switch suppliers in part due to limited capacity.¹⁷¹
- (c) Some of the Parties' internal documents also support the existence of capacity constraints in the market for LD products and indicate that demand for LD products is expected to increase.¹⁷² For example:
 - (i) A Vandemoortele internal document from February 2025 estimates that UK pastry consumption is growing between [X]% per year and that it requires an 'incremental [X] KT per year from 2025 to maintain Market Share'.¹⁷³
 - (ii) A Délifrance internal document from January 2024 that describes its strategy for a UK customer highlights how [X] is a key requirement to win the customer.¹⁷⁴
 - (iii) A Délifrance account plan for a UK customer from January 2024 identifies [X].¹⁷⁵
- (d) While the production line installation data submitted by the Parties shows some increase in capacity, there is limited evidence to indicate that it is suited to (eg based on location), or will be used to supply, the UK market (and, as noted above, this is not supported by evidence from competitors). With regards to the LD production line data provided by the Parties, one of the three manufacturers ([X]) submitted that of the [X] kT of capacity installed over the last two years, only [X] kT (c.10%) was actual growth/new production with the rest replacing manual or existing production.¹⁷⁶ Investment in new production lines therefore does not necessarily mean there is a substantial increase in new capacity. On this basis it is not clear that this installation data for both the EU and UK represents a significant growth in capacity, relative to total EU and UK demand, that would serve to constrain the Merged Entity post-Merger.

7.28 Regarding the Parties' claim that in 2025, there have been significant additional increases in market capacity coming online,¹⁷⁷ we have sought to test these submissions; however, much of the evidence gathered by us is inconsistent with those submissions.

¹⁷¹ Response to CMA's phase 1 customer questionnaire from a third party, question 8. [X]

¹⁷² As described above in paragraph 7.14, the Parties submitted that demand for LD products in the UK has unexpectedly been flat in 2025 in contrast to previous expectations that forecast strong growth in demand.

¹⁷³ Vandemoortele internal document.

¹⁷⁴ Délifrance response to P1-s109-02, Annex 2, slide 17.

¹⁷⁵ Délifrance response to P1-s109-02, Annex 3, slide 32.

¹⁷⁶ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, Annex 4.

¹⁷⁷ Parties' response to the Issues Letter, 17 November 2025, Section 3.

- (a) Those suppliers who responded to our question about planned capacity investments have not submitted significant capacity expansion plans.¹⁷⁸ One third party submitted that extending capacity is both an expensive and time-consuming process and that constructing a line could cost upwards of 25 million euros.¹⁷⁹
- (b) Some areas in which the Parties submitted additional capacity was being developed do not supply material quantities of LD products to the UK (eg Salt Lake City, or Eastern Europe). Furthermore, some of the examples cited by the Parties were R&D centres rather than general production centres and these centres either had fewer lines than the Parties submitted or had production lines that were not new capacity.
- (c) We have been unable to verify based on publicly available sources the Parties' claims of recent and planned investments in expansions of LD plants in Western Europe of key UK rivals but note that in most cases it is unclear whether the investment relates to LD products or other bakery products or whether the plant is located in an area that would not be expected to directly impact supply in the UK market (eg Salt Lake City, or Eastern Europe). While some of the examples show expansion that could in theory be used to supply LD customers in the UK, others do not. For example, of the Northwest Europe examples submitted in the Parties' refined capacity expansion analysis:¹⁸⁰
- (i) A 2024 Aryzta investment in Eisleben is a product innovation centre featuring R&D facilities, quality monitoring areas, and pilot machines for the company's bread and baked foods segment.¹⁸¹ These are not new production lines and do not appear to significantly increase Aryzta's capacity. Similarly, the 2025 Aryzta investment the Parties cite from an industry website is non-specific and only refers to how the company 'outlined investments in new lines to increase the production of laminated and artisan products in Switzerland, Germany and Malaysia'.¹⁸²
- (ii) Based on the Parties' claim that capacity takes roughly two years to come online,¹⁸³ the 2021/22 Europastry expansion should already be online and accounted for in the current evidence base.

¹⁷⁸ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 5. [REDACTED]

¹⁷⁹ [REDACTED] call note.

¹⁸⁰ Parties' response to the Issues Letter, 17 November 2025, Table 2.

¹⁸¹ Parties' response to the Issues Letter, 17 November 2025, Table 2; and [Aryzta investing in German production site | Baking Business](#), last accessed on 11 June 2026.

¹⁸² Parties' response to the Issues Letter, 17 November 2025, Table 2; and [ARYZTA announces new mid-term targets - Baking & Biscuit](#), last accessed on 11 June 2026.

¹⁸³ Parties' response to the Issues Letter, 17 November 2025, paragraph 2.1.

- (iii) The 2024 'Cereal' R&D centre in Barbera des Valles is only two production lines, not four as the Parties state, and makes cakes as well as pastries.¹⁸⁴
- (iv) The 2023 La Lorraine investment article does not show that the investment is for LD products.¹⁸⁵

7.29 While the inconsistencies with regards to the information in the Parties' submissions on capacity expansion mean that we can only place limited weight on those submissions, we consider that there is some additional capacity that either has entered the market or will enter the market. There is, however, limited evidence in the Parties' internal documents that significant capacity is coming online or that they are concerned about the prospect of increased capacity from a competition perspective.

7.30 The evidence that we have obtained therefore does not indicate that excess capacity is playing a material role in competition in the UK market, or that it is expected to do so in the near future.¹⁸⁶

7.31 Consequently, we are attributing limited weight to the Parties' submissions regarding current or future excess capacity in the market mitigating the likelihood of an SLC. Our assessment of the likelihood of an SLC is set out further below.

7.32 More generally on the Parties' submission that 2022-2024 is not an appropriate period of comparison, we have not received evidence that the conditions of competition in 2025 have changed so fundamentally since 2022-24 that they do not have evidentiary value. The third party evidence in particular that we obtained was gathered in October 2025 and is therefore broadly reflective of current market conditions (and the Parties have not since submitted in phase 2 that these conditions have materially changed since October 2025). We have therefore considered the evidence available to us when coming to our provisional view, including evidence from the period 2022-2024.

Shares of supply

7.33 Shares of supply can be useful evidence when assessing closeness of competition, particularly when there is persuasive evidence as to which potential substitutes should be included or excluded or when the degree of differentiation between firms is more limited. In such circumstances, a firm with a higher share of supply is more likely to be a close competitor to its rivals.¹⁸⁷

¹⁸⁴ [Europastry Annual Report 2023](#), page 50, last accessed on 11 June 2026.

¹⁸⁵ [Erpe-Mere La Lorraine bolsters presence in Belgium with €200 m investment | BBM Magazine](#), last accessed on 11 June 2026.

¹⁸⁶ Parties' response to the Issues Letter, 17 November 2025, paragraph 2.1.

¹⁸⁷ [CMA129](#), paragraph 4.14.

7.34 We recreated the market based on the Parties' data and third party sales volumes. Table 1 below shows our estimates of shares of supply in the supply of LD products in the UK in 2024.¹⁸⁸

Table 7.1: Frozen pastry shares of supply in the UK, 2024 (weight)

	(%)			
	<i>French style laminated dough</i>	<i>Danish pastries</i>	<i>Puff pastries</i>	<i>LD products overall</i>
Vandemoortele*	[20-30]	[0-5]	[10-20]	[10-20]
Délicrance	[10-20]	[0-5]	[20-30]	[10-20]
Combined	[40-50]	[0-5]	[40-50]	[30-40]
Lantmännen	[10-20]	[80-90]	[0-5]	[20-30]
Bridor	[20-30]	[0-5]	[40-50]	[20-30]
Aryzta	[5-10]	[0-5]	[0-5]	[5-10]
Neuhauser	[5-10]	[0-5]	[0-5]	[0-5]
Serafien	[0-5]	[0-5]	[5-10]	[0-5]
La Lorraine	[0-5]	[0-5]	[0-5]	[0-5]
Europastry	[0-5]	[0-5]	[0-5]	[0-5]
Total	100	100	100	100

Source: CMA analysis of Parties data and response to the CMA questionnaire from a number of third parties, October 2025, question 3.
 * Vandemoortele provided an estimate of the split between French style LD products and Puff pastries, given it does not routinely record volume data split in this way. We subtracted the estimated Puff Pastries volumes from the French LD volumes.

7.35 Table 7.1 shows that in LD products, the Parties have a combined share of [30-40]%. The Merger combines the third and fourth largest suppliers. Following the Merger, the Merged Entity will be the largest supplier of LD products in the UK. Lantmännen and Bridor are the first and second largest suppliers respectively, with shares of [20-30]% and [20-30]% respectively. There is then a tail of much smaller suppliers led by Aryzta ([5-10]%) and Neuhauser ([0-5]%). No other supplier has a share over [0-5]%.

7.36 FFLD products make up over two thirds of the volumes of all LD products in the UK.¹⁸⁹ In this segment of the market, the Merger combines the second and third largest suppliers with the Merged Entity having a combined share of [40-50]%. Bridor is the largest supplier of FFLD products ([20-30]%) while Lantmännen is the fourth largest ([10-20]%). No other supplier has a share over [5-10]%.

7.37 Table 7.1 shows that the Merged Entity will also be the second largest supplier of puff pastries with a combined share of [40-50]%. Bridor remains the largest player with a share of [40-50]% in puff pastries with only one other supplier (Serafien) having a share above 5% [X]. Overall puff pastries make up the smallest segment

¹⁸⁸ These shares are based on: Vandemoortele response dated 24 July 2025 to the CMA's s109 notice dated 14 July 2025 (P1-s109-01), Annex 033, sheet 1; and Délicrance response dated 24 July 2025 to the CMA's s109 notice dated 14 July 2025 (P1-s109-01), Annex 01, sheet 1; and responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 3. [X] Some suppliers did not provide volume data to us. We calculated the volumes of these suppliers from volume data provided by their primary customers. [X] response [X] to the CMA's s109 notice.

¹⁸⁹ CMA analysis of Parties data and response to the CMA questionnaire from a number of third parties, October 2025, question 3.

of the market accounting for less than 10% of the volumes of all LD products in the UK.¹⁹⁰

Our assessment

- 7.38 The shares both provided by the Parties and estimated by us show that the market for LD products is highly concentrated. The Parties are two of the four main suppliers of LD products in the UK and would be the largest supplier following the Merger by a considerable margin. No other supplier, including Aryzta, Neuhauser, or Europastry, has a significant share of supply.¹⁹¹
- 7.39 Moreover, the Parties' activities are mainly focused on FFLD products where their individual and combined shares are higher than across all LD products. As neither the Parties nor Bridor supply significant volumes of Danish pastries we consider that the Parties and Bridor compete more closely with each other than with Lantmännen, which has a very strong presence in Danish pastries and a slightly weaker presence in FFLD.¹⁹² Aryzta and Neuhauser both have slightly higher shares in FFLD products at [5-10]% and [5-10]% respectively. However, we note that these suppliers supply primarily to one customer that tenders on an international level.¹⁹³ Consequently, their share may overestimate how competitive they are in UK tenders.
- 7.40 We note that these market shares are lower than those found in the Parties' internal documents which describe the commercial outlook for the UK; however, both the shares prepared by us and the shares in the Parties' internal documents show that the Merged Entity would have substantially the largest share of supply in the UK with a significant increment.¹⁹⁴ These documents show that, in February 2025, the Parties had a combined market share in pastries of [50-60]% with an increment of [20-30]% and that these shares have been broadly consistent for the last two years.¹⁹⁵
- 7.41 As noted above, the Parties have submitted that shares of supply are a poor proxy for market power in this case. We consider that whether shares of supply are a good proxy for market power in a market where there are tenders depends on the

¹⁹⁰ CMA analysis of Parties data and response to the CMA questionnaire from a number of third parties, October 2025, question 3.

¹⁹¹ The Parties submitted that they had recently lost [X] kT of sales to Europastry. Even if these volumes are assigned to Europastry, Europastry's share does not exceed [0-5]% in LD products.

¹⁹² Délifrance and Bridor have relatively high shares in puff pastry products. However, for Délifrance and Bridor, puff pastry products are only a small proportion of both their respective LD product production and the total market for LD products. Consequently, we consider their puff pastry volumes are less relevant to the closeness assessment. Moreover, the Délifrance production data shows that puff pastries are only [10-20]% of Délifrance's LD production and does not support that Délifrance has a focus on puff pastry products as submitted by the Parties.

¹⁹³ Parties' response to the Issues Letter, 17 November 2025, paragraph 4.9; and [X] response [X] to the CMA's s109 notice.

¹⁹⁴ Vandemoortele internal documents.

¹⁹⁵ In these documents, 'Pastries' appears to refer to viennoiserie, Danish pastries, and puff pastries in line with our market definition of LD products.

market dynamics. For example, shares of supply may not reflect competitive dynamics where there is a small number of large tenders. Where there is a small number of large tenders, a relatively competitive supplier may have a small share of supply simply because they marginally missed out on a small number of tenders.¹⁹⁶ This kind of dynamic may be reflected in large swings in shares of supply over time. In other tender markets with larger numbers of tender opportunities, shares of supply are more likely to reflect market power and are also more likely to be stable over time.

7.42 In this case, we consider that the Parties' customers do not appear to be so large and tenders so infrequent such that shares of supply would not reflect competitive dynamics in the market. According to the Parties' bidding data, there have been at least 41 tender opportunities since October 2021.¹⁹⁷ The largest Vandemoortele customer in 2024 represents [5–10]% of the overall market size, and no other customer volumes accounted for more than [0–5]% of the market size. Similarly, the two largest Délifrance customers each represent only [0–5]% of the market size.¹⁹⁸ Therefore, while such large customers switching would affect shares of supply, it is not clear that customers are sufficiently large such that shares of supply are not a good proxy for market power.

7.43 Moreover, we consider that:

- (a) The Parties assess shares in their internal documents, which indicates that shares are commercially relevant and have informational value when considering competitive conditions;
- (b) Shares are in any case indicative of the Parties having been successful at winning these tenders and therefore reflect their competitive strength over time. We have received no evidence that indicated that the competitive strength of the Parties or competitors has changed significantly, or that the Parties are likely to lose any of these large tenders in the near future. For example, the volume data received by us indicates that the Parties' market shares were almost identical in 2023 and 2024;¹⁹⁹ and
- (c) Shares of supply also appear to be consistent with other sources of evidence, including feedback from third parties on the alternatives considered by customers (see paragraphs 7.58 to 7.60), and the Parties' own internal documents.

¹⁹⁶ As a hypothetical if there are only three customers all of an equal size with one customer tendering per year, then even if there are four credible competitors considered by each customer then this may not be reflected in shares of supply as at least one of those competitors would always have a share of supply of 0% and any competitor's share may go from 33% to 0% from one year to the next by losing one contract.

¹⁹⁷ Parties' internal document.

¹⁹⁸ FMN, Tables 15 and 17.

¹⁹⁹ The Parties combined share in 2023 was [30–40]% compared to [30–40]% in 2024. We did not receive 2023 volumes for all suppliers. Where 2023 volumes were not available, we used 2024 volumes.

- 7.44 In addition, as noted above we do not consider that shares of supply are a poor proxy for market power due to the presence of current or future excess capacity or buyer power. Our assessment of the Parties' submissions on excess capacity is set out above (paragraphs 7.14 to 7.30) and our assessment of the Parties' submissions on buyer power is set out below (paragraphs 8.6 and 8.7).
- 7.45 Consequently, and taking into account our approach outlined in paragraph 7.2 above, we consider that the shares of supply indicate that the Parties are close competitors.

Bidding data

- 7.46 The Parties submitted two bidding data analyses: (i) an analysis of data on losses; and (ii) an analysis of wider opportunities data.

Analysis of losses data

- 7.47 We received loss data from both Parties covering the timeframe between October 2021 and April 2025, including 13 UK LD opportunities that Vandemoortele lost and 17 UK LD opportunities that Délifrance lost.^{200,201,202}
- 7.48 However, we consider that there are some notable limitations with the data:
- (a) The data only includes opportunities that the Parties lost and therefore gives no insight into the opportunities where either Party won;
 - (b) The data includes known winners for only nine of Vandemoortele's losses and other known bidders for only six;
 - (c) The data includes known winners for only 12 of Délifrance's losses and other known bidders for only one;
 - (d) As the Parties do not record tender data or switching data in the ordinary course of business, the information is sourced predominantly from recollections of local country managers and key account managers;²⁰³ and
 - (e) Each Party's data has not been adjusted to reflect the other Party's views and therefore does not match opportunities where both Parties may have bid.

²⁰⁰ Vandemoortele internal document.

²⁰¹ The Parties submitted loss data for FMG opportunities in Belgium, France, Italy, the Netherlands, and the UK. We considered the market to be LD products in the UK and has therefore only considered opportunities that match this market in its analysis.

²⁰² This data includes examples of the Parties losing existing business and also losing bids where they were not already the incumbent.

²⁰³ FMN, paragraph 15.16.

- 7.49 Focusing on Vandemoortele's UK bidding data with known winners, out of the nine opportunities that Vandemoortele lost:
- (a) Délifrance was the winner, or one of the winners, in a third of the opportunities and present in a further four;
 - (b) Bridor was the winner, or one of the winners, in over half the opportunities (5/9) and present in three others;
 - (c) Lantmännen was the winner, or one of the winners, in two opportunities; and
 - (d) Golden Bake, Country Style, Aryzta, and La Lorraine were each the winner or one of the winners in one opportunity.
- 7.50 Focusing on Délifrance's bidding data with known winners, out of the 12 opportunities that Délifrance lost:
- (a) Vandemoortele was the winner in three opportunities, including the two largest opportunities by volume;²⁰⁴
 - (b) Bridor was the winner in eight opportunities; and
 - (c) Delice de France won one opportunity.

Analysis of wider bidding data

- 7.51 The Parties separately submitted bidding data covering UK opportunities for the period October 2021 to April 2025.²⁰⁵ This data has similar limitations to those described above²⁰⁶ but also includes opportunities that the Parties either retained or won.
- 7.52 Vandemoortele submitted data on 11 morning goods (excluding donuts) opportunities. Across those 11 opportunities:
- (a) Vandemoortele won new business twice and retained the contract once;
 - (b) Vandemoortele competed against Délifrance in six of the opportunities with Délifrance winning one of those opportunities;

²⁰⁴ We note that the volume of the two opportunities won by Vandemoortele is greater than the rest of the opportunities with known winners combined.

²⁰⁵ Parties' internal document.

²⁰⁶ The Parties submitted this data was not complete as not all tenders are recorded in the ordinary course of business. They also noted that salespeople are more likely to record won tenders than lost tenders. In the majority of tenders, and especially for Délifrance tenders, the names of other contenders are not recorded.

- (c) Vandemoortele competed against Bridor in ten of the opportunities with Bridor winning four and being the joint winner for two (once with Vandemoortele and once with Bridor);
- (d) Vandemoortele competed against Lantmännen three times with Lantmännen winning one opportunity alongside Bridor; and
- (e) Other suppliers identified as competing were Aрызta (three times), Europastry (twice), Delice de France (once) and La Lorraine (once). None of these suppliers was identified as winning an opportunity, although the winners of two opportunities were unknown and one was just identified as 'European base [sic] of suppliers'.

7.53 Délifrance submitted data on 31 morning goods (excluding donuts) opportunities. Across these 31 opportunities:

- (a) Délifrance won new business nine times, including from Vandemoortele twice, and retained the contract 15 times.
- (b) In 16 opportunities, no alternatives to Délifrance were identified. Across the remaining 15 opportunities, only Vandemoortele, Bridor and Lantmännen were identified. Specifically:
 - (i) Délifrance competed against Vandemoortele in five of these opportunities with Vandemoortele winning three;
 - (ii) Délifrance competed against Bridor for 11 opportunities with Bridor winning three; and
 - (iii) Délifrance competed against Lantmännen for two opportunities and Lantmännen did not win either opportunity.

7.54 We asked customers for details of their recent tender rounds including the products tendered for, the winner of the tender and which suppliers were considered. We only received a very limited response to this question and have therefore been unable to draw conclusions from or place any material weight on the third party evidence received.

Our assessment

7.55 We consider that the Parties' losses data indicates that where one of the Parties lost an opportunity, the other was one of two competitors (along with Bridor) most likely to win the opportunity. Other competitors competed less regularly and were less likely to win the opportunities.

7.56 Similarly, we consider the Parties' bidding data indicates that the Parties primarily compete against, and lost opportunities to, each other and Bridor. The Parties also compete to a lesser extent against Lantmännen.

7.57 However, as described above, limitations with the data mean it is difficult to draw strong conclusions from the data. While the losses data is evidence that the Parties lose some contracts or opportunities to competitors, without corresponding win data it is not possible to judge whether these losses are significant. Similarly, the wider bidding data provided is incomplete and not a formal record of tenders. We consider there are limits to the weight that can be placed on the opportunities data in isolation due to the limitations to the data as set out above. Therefore, we consider the opportunity data in the round with other evidence and note that it is broadly consistent with evidence on shares of supply, internal documents and third party views.

Third party views

Competitive landscape in LD products

7.58 We asked the Parties' customers to list which suppliers of LD products would be able to meet their requirements.²⁰⁷ For each supplier, customers were asked to rate how well the supplier would meet their requirements on a scale from 'Not at all suitable' to 'Fully suitable'.

7.59 Out of the customers that we received responses from:

- (a) Almost all identified Vandemoortele as a 'very suitable' or 'fully suitable' supplier.²⁰⁸ Reasons provided for Vandemoortele's suitability included that it has an extensive range of products, particularly on French style laminated pastries.²⁰⁹
- (b) Half identified Délifrance as either 'very suitable' or 'fully suitable' and this increased to two thirds of customers when considering customers that identified Délifrance as 'moderately suitable'.²¹⁰ An additional customer did not identify and rate Délifrance in its questionnaire response, but does currently use Délifrance as a supplier of LD Products.²¹¹ Reasons provided for Délifrance's competitiveness include that it has a strong track record and good capability.²¹²

²⁰⁷ Appendix A contains a list of third party responses to the CMA's questionnaires.

²⁰⁸ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

²⁰⁹ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

²¹⁰ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

²¹¹ Response to the CMA's phase 1 customer questionnaire from a third party, questions 3 and 10. [REDACTED]

²¹² Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

- (c) Two thirds identified Bridor as either ‘very suitable’ or ‘fully suitable’.²¹³ Reasons provided for Bridor’s competitiveness include having higher quality than other suppliers²¹⁴ and having strong capability in LD products.²¹⁵ One customer said that it was ‘very suitable’, but likely ‘too expensive’.²¹⁶
- (d) Just over half identified Lantmännen as either ‘very suitable’ or ‘fully suitable’.²¹⁷ However, one customer who identified Lantmännen as ‘very suitable’ also told us that it assessed the taste / quality to be slightly below the level of Délifrance and Bridor.²¹⁸ One large customer submitted that while Lantmännen is its supplier for Danish pastries, it is not considered a replacement to Vandemoortele or Délifrance for core morning good products.²¹⁹ Similarly, one customer²²⁰ was only able to comment on Lantmännen’s Danish pastry offering and another²²¹ indicated that Lantmännen had greater capability in Danish pastries.
- (e) A minority of customers identified Aryzta as either ‘very suitable’ or ‘fully suitable’.²²² One other large customer also identified Aryzta but noted that it has not been able to deliver on the necessary financials or quality requirements in past tenders.²²³ [REDACTED].²²⁴
- (f) One customer identified Europastry as either ‘very suitable’ or ‘fully suitable’.²²⁵ In calls with us, two other large customers identified Europastry as an alternative. One of these customers submitted that Europastry was only a supplier for its EU locations but was the same size as the Parties,²²⁶ while another said it had not been able to deliver on the necessary financials or quality requirements in past tenders.²²⁷

7.60 Outside of these companies, no other supplier was described as very or fully suitable by more than two customers.

7.61 We asked the Parties’ competitors to describe how closely they considered Vandemoortele and Délifrance to compete with each other in the supply of LD products in the UK.²²⁸ All competitors that responded to the question described

²¹³ Response to the CMA’s phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

²¹⁴ Response to the CMA’s phase 1 customer questionnaire from a third party, question 10. [REDACTED]

²¹⁵ Response to the CMA’s phase 1 customer questionnaire from a third party, question 10. [REDACTED]

²¹⁶ Response to the CMA’s phase 1 customer questionnaire from a third party, question 10. [REDACTED]

²¹⁷ Responses to the CMA’s phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

²¹⁸ Response to the CMA’s phase 1 customer questionnaire from a third party, question 10. [REDACTED]

²¹⁹ [REDACTED] call note.

²²⁰ Response to the CMA’s phase 1 customer questionnaire from a third party, question 10. [REDACTED]

²²¹ Response to the CMA’s phase 1 customer questionnaire from a third party, question 10. [REDACTED]

²²² Responses to the CMA’s phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

²²³ [REDACTED] call note.

²²⁴ [REDACTED] call note.

²²⁵ Response to the CMA’s phase 1 customer questionnaire from a third party, question 9. [REDACTED]

²²⁶ [REDACTED] call note.

²²⁷ [REDACTED] call note.

²²⁸ Appendix A contains a list of third party responses to the CMA’s questionnaires.

them as either very close or moderately close competitors.²²⁹ One competitor told us that this was particularly the case in relation to croissants and Danish pastries.²³⁰

7.62 We asked the Parties' competitors to list their main competitors in the supply of LD products in the UK and provide a rating for each of them on how strong their offering is on a scale from 'very weak' to 'very strong'.

7.63 Out of the competitors that identified suppliers of LD products:

- (a) Vandemoortele was identified by all competitors,²³¹ and most that provided a rating identified it as strong or very strong.²³² Vandemoortele was described as a Top 5 UK player²³³ and as being particularly strong in Retail and National accounts with viennoiserie and Danish pastries.²³⁴
- (b) Similarly, Délifrance was identified by all competitors²³⁵ and most that provided a rating described it as strong or very strong.²³⁶ Délifrance was described by one competitor as one of the top two viennoiserie and Danish pastry suppliers in the UK²³⁷ and top three in the puff pastry market.²³⁸
- (c) Bridor was identified by all other competitors²³⁹ and all that provided a rating described it as strong or very strong.²⁴⁰
- (d) Lantmännen was similarly identified by all other competitors²⁴¹; however, it was described as either moderate²⁴² or weak²⁴³ by most suppliers that provided a rating.²⁴⁴
- (e) Aryzta was identified by almost all other competitors and was described as either moderate²⁴⁵ or very strong²⁴⁶ by suppliers that provided a rating.²⁴⁷

²²⁹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 9. [REDACTED]

²³⁰ Response to the CMA's phase 1 competitor questionnaire from a third party, question 9. [REDACTED]

²³¹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²³² Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²³³ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²³⁴ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²³⁵ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²³⁶ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²³⁷ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²³⁸ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²³⁹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴⁰ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴¹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴² Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴³ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²⁴⁴ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴⁵ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴⁶ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²⁴⁷ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

- (f) Europastry was identified by a minority of other competitors and was described as weak by those that provided a rating.²⁴⁸
- (g) St Pierre Group, Country Style, Baker & Baker and David Wood were each identified by more than one other competitor.²⁴⁹ However, Country Style was the only supplier to be described as strong or very strong and this only by a single competitor.²⁵⁰ The other rankings were all either moderate²⁵¹ or weak.²⁵²
- (h) A number of other suppliers²⁵³ were each identified by at most one other competitor although only Delice de France was ranked as strong or very strong.²⁵⁴

Impact of the Merger

- 7.64 Half of the Parties' customers who responded to our questionnaire considered that the impact of the Merger would be 'neutral',²⁵⁵ and a small minority of customers considered that the impact would be 'positive', pointing to increased capabilities and efficiencies.²⁵⁶ On the other hand, a slightly larger minority of the Parties' customers considered that the impact of the Merger would be 'negative'.²⁵⁷
- 7.65 From a qualitative perspective (ie in calls with us or in narrative responses to our questionnaire), those customers who expressed a negative view of the Merger in their response to our questionnaire (and two customers who considered that the overall impact of the Merger would be 'neutral' in their questionnaire response),²⁵⁸ outlined the following concerns about the potential competitive impact of the Merger:²⁵⁹
- (a) A major grocery retailer submitted that it was unclear there would be a European competitor capable of exerting sufficient competitive pressure (on

²⁴⁸ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁴⁹ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [REDACTED]

²⁵⁰ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²⁵¹ Country Style was ranked as moderate by one competitor; response to the CMA's phase 1 competitor questionnaire from a third party, question 7 [REDACTED]. St Pierre Group was ranked as moderate by a minority of competitors; responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7 [REDACTED]. Baker & Baker was ranked as moderate by a minority of competitors; responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7 [REDACTED]. David Wood was ranked as moderate by one competitor; response to the CMA's phase 1 competitor questionnaire from a third party, question 7 [REDACTED].

²⁵² David Wood was ranked as weak by one competitor; response to the CMA's phase 1 competitor questionnaire from a third party, question 7 [REDACTED].

²⁵³ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7 [REDACTED]. The other suppliers identified were Bread Holdings, Delice De France, Mennissez, Mette Munk, European Bakery Group, and La Lorraine.

²⁵⁴ Response to the CMA's phase 1 competitor questionnaire from a third party, question 7. [REDACTED]

²⁵⁵ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 13. [REDACTED]

²⁵⁶ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 13. [REDACTED]

²⁵⁷ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 13. [REDACTED]

²⁵⁸ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 13. [REDACTED]

²⁵⁹ We note that a further customer that outlined a negative view on the impact of the Merger in its response to the CMA's phase 1 customer questionnaire made broadly neutral qualitative comments about the competitive impact of the Merger. Response to the CMA's phase 1 customer questionnaire from a third party, question 13. [REDACTED]

the Merged Entity) in the UK and that there was no alternative supplier it could switch to for the volumes it currently procures in the short term.²⁶⁰

- (b) A major grocery retailer submitted that the Merger would limit competition in 'product and pricing'.²⁶¹
- (c) A major grocery retailer submitted that the Merger would create a supplier with a significant share and that there is a risk the Merger could have the potential to reduce competition.²⁶²
- (d) A major foodservice customer submitted that the Merger combines its incumbent supplier and its 'only viable secondary source'. The customer further noted that the Merger would remove a major competitor and that it would be difficult to switch to a new supplier given the limited number of players that can service its necessary volumes.²⁶³
- (e) A major foodservice customer noted that the Merger would likely 'create problems' for it. The Merger could mean it would lose its largest supplier which would limit competition and likely result in an increase in prices.²⁶⁴

7.66 Some competitors also submitted that the Merger would have a negative impact on competition.²⁶⁵ These competitors submitted that it would increase market concentration²⁶⁶ and give the Parties the large majority share of the viennoiserie and Danish pastry market.²⁶⁷

Our assessment

7.67 We consider that third party evidence indicates that both Parties are strong competitors in the supply of LD products in the UK. Consistent with the shares of supply, customers and competitors see the Parties as two of the four main suppliers in the UK along with Bridor and Lantmännen. Some customers considered Lantmännen to be weaker in FFLD products, where the Parties are strongest, than in Danish pastries.

7.68 Of the other suppliers, Aryzta is the next most identified albeit only by a minority of customers. We also note that two of the three customers that identified Aryzta as either 'very suitable' or 'fully suitable'²⁶⁸ tender on an international basis meaning that their UK supplier is determined as part of a wider, European tender.

²⁶⁰ [REDACTED] call note.

²⁶¹ Response to the CMA's phase 1 customer questionnaire from a third party, question 13. [REDACTED]

²⁶² Response to the CMA's phase 1 customer questionnaire from a third party, question 13. [REDACTED]

²⁶³ [REDACTED] call note; and response to the CMA's phase 1 customer questionnaire from a third party, question 13. [REDACTED]

²⁶⁴ [REDACTED] call note.

²⁶⁵ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 10. [REDACTED]

²⁶⁶ Response to the CMA's phase 1 competitor questionnaire from a third party, question 10. [REDACTED]

²⁶⁷ Response to the CMA's phase 1 competitor questionnaire from a third party, question 10. [REDACTED]

²⁶⁸ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 10. [REDACTED]

Consequently, we consider that the fact that these customers list Aryzta as a competitive supplier may reflect competitive dynamics in Europe as opposed to those in the UK market specifically.

- 7.69 Europastry was identified as a suitable supplier by only a small minority of customers²⁶⁹ and as a weak competitor by other suppliers.²⁷⁰
- 7.70 Consequently, the Merger is between two firms that compete closely and will see the number of strong competitors reduced from four to three. In the case of one of these competitors, some customers considered it to be weaker in FFLD products where the Parties are strongest. Whilst other competitors are active in the market, third party evidence indicates that these other companies do not represent a sufficient competitive constraint that would constrain the Parties post-Merger. This includes evidence from customers about which suppliers would be able to meet their requirements, and from competitors about who their competitors in the supply of LD products are and how strongly they compete.
- 7.71 In addition, third party evidence also indicates that a number of the Parties' largest customers across both retail and food service channels think the Merger would reduce competition in the LD market in the UK.

Internal documents

Evidential weight to be attributed to UK-specific internal documents compared to Europe-wide internal documents

- 7.72 The Parties submitted a range of internal documents together with their Merger Notice, in response to our requests for information and together with their response to the Issues Letter. While many of these documents primarily consider LD products²⁷¹ across Europe more generally, a number specifically focus on the UK.

Parties' submissions

- 7.73 The Parties have argued that, given suppliers of LD products (including the Parties) operate on a European basis, the Parties and their competitors view the UK market within a broader European frame of reference, such that it is not appropriate for us to assume that the UK-specific documents will be more informative and relevant than European documents.²⁷²

²⁶⁹ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 10. [X]

²⁷⁰ Responses to the CMA's phase 1 competitor questionnaire from a number of third parties, question 7. [X]

²⁷¹ For the purpose of this section we refer to, 'Laminated Dough Products' or LD products as the market. The internal documents appear to refer to pastries, viennoiserie, Danish pastries, and puff pastries in line with our market definition of LD products.

²⁷² Parties' response to the Issues Letter, 17 November 2025, paragraph 6.2.

7.74 The Parties further submitted that:

- (a) Documents prepared at country level cannot capture the broader dynamics and concentrate more narrowly on implementing company strategy, inevitably focusing on customers they are supplying or targeting at a given point in time;²⁷³
- (b) The country teams are faced with inherent difficulties in capturing data, such as market shares, and the overview commentary they produce is typically provided on a consolidated and summary basis;²⁷⁴
- (c) The local teams' limited visibility of market conditions is evidenced by market events which they did not anticipate, citing [redacted] the rapid growth of Lidl's in-store bakery offering (and by extension the strength of its LD suppliers: Aryzta and Neuhauser) and the 'surprise success' of Europastry in the recent [redacted] tender;²⁷⁵ and
- (d) The supply pool operates on a European scale, so monitoring of potential competitive threats is better conducted at the group level, which relies on Europe-wide analysis and systematic data sharing.²⁷⁶

Our assessment

7.75 We note that the relevant geographic market was identified as being UK-wide,²⁷⁷ which the Parties do not dispute.²⁷⁸ As set out in the Merger Assessment Guidelines, 'market definition involves identifying the most significant competitive alternatives available to customers of the merger firms and includes the sources of competition to the merger firms that are the immediate determinants of the effects of the merger'.²⁷⁹ Accordingly, competitors active in the UK are likely to be a more significant source of competition than continental European competitors with no (or only a limited) UK presence.

7.76 The Parties submitted UK-specific documents, which were prepared for (or by) their senior management in the UK, that assess dynamics of competition and identify competitors in the UK. These documents differ materially in their analysis of these factors (for example the competitors identified and their strengths and weaknesses) to Europe-wide documents, as discussed further below. The UK-specific documents are, however, consistent with other key sources of evidence, including third party views, shares of supply and bidding data.

²⁷³ Parties' response to the Issues Letter, 17 November 2025, paragraph 6.3.

²⁷⁴ Parties' response to the Issues Letter, 17 November 2025, paragraph 6.3.

²⁷⁵ Parties' response to the Issues Letter, 17 November 2025, paragraph 6.4.

²⁷⁶ Parties' response to the Issues Letter, 17 November 2025, paragraph 6.4.

²⁷⁷ See paragraph 6.33.

²⁷⁸ Parties' response to the Issues Letter, 17 November 2025, paragraph 3.14.

²⁷⁹ [CMA 129](#), paragraph 9.2.

7.77 In these circumstances, we consider that the UK-specific internal documents provide probative evidence about competitive conditions in the relevant geographic market we are considering. Furthermore, these are the documents that the Parties' respective UK management teams consider when making decisions about operating the businesses in the UK. It is, therefore, appropriate for us to consider that UK-specific documents are likely to be more informative and relevant to our assessment and to place more weight on such UK-specific internal documents than documents from a different geographic market, where the documents themselves demonstrate that conditions vary compared to those identified in the UK.

UK-specific internal documents

7.78 We consider that the Parties' UK-specific internal documents provide evidence of the following points.

7.79 First, the UK market for LD products is concentrated. The Parties are two of the largest suppliers and there are a limited number of alternative suppliers. In particular:

- (a) A Vandemoortele internal document analyses the commercial outlook for the UK market for 'pastry' as at Q1 2025 and estimates market shares for five suppliers as: Délifrance ([30-40]%), Vandemoortele ([20-30]%), Lantmännen ([10-20]%), Bridor ([10-20]%) and 'Other (Aryzta)' ([10-20]%). Therefore, by Vandemoortele's own estimates, the Parties are a similar size, and the Merged Entity would have a combined share of [50-60]%;²⁸⁰ and
- (b) The same Vandemoortele internal document identifies two other suppliers, Bridor and Lantmännen (as well as Aryzta within the 'Other' category).²⁸¹ These competitors are then specifically covered in more detail. While Aryzta is also mentioned, it does not receive the same level of competitor analysis.

7.80 Second, Vandemoortele typically monitors Délifrance and a limited number of other competitors.

(a) The same Vandemoortele internal document setting out its UK country commercial outlook in Q1 2025 includes:

- (i) A deep dive analysis of four competitors (Bridor, Délifrance, Lantmännen and Baker & Baker),²⁸² noting that the fact that Délifrance

²⁸⁰ Vandemoortele internal document.

²⁸¹ Vandemoortele internal document.

²⁸² Evidence received by us indicates that Baker & Baker are not substantively active in LD products but rather focus on American sweet bakery products such as donuts, cookies and muffins. [§] call note.

has the largest market share ‘makes them a key target for competitors’;²⁸³

- (ii) Long term growth plans in pastry and identifies a plan to ‘steal’ share from Délifrance in relation to [X] and [X] and to ‘steal’ share from Bridor in relation to [X].²⁸⁴ This demonstrates a degree of focus on Délifrance customers notwithstanding the Parties’ submissions in response to the Issues Letter that Vandemoortele also noted that it may switch focus to [X] if unsuccessful in the [X] tender;²⁸⁵ and
 - (iii) A reference to Délifrance progressively losing share in JS (Sainsbury’s) to Bridor and Vandemoortele.²⁸⁶
- (b) A Vandemoortele internal document setting out its UK country commercial outlook as at Q1 2024 notes a plan to partner with [X] and identifies [X] (a Délifrance customer) and [X] (a Délifrance customer as at the date of the internal document) as targets.²⁸⁷
- (c) Vandemoortele’s UK country commercial review from 2023 identifies:
- (i) Winning [X] viennoiserie business from Délifrance as a 2024 initiative that was part of its strategy to have the ‘No1 market position in pastry’.²⁸⁸ A separate Vandemoortele internal document outlines its strategy for winning the [X] business from Délifrance.²⁸⁹ The Parties argue that this document describes Délifrance as ‘complacent’ and as having a ‘tired range’, and therefore not a close competitor to Vandemoortele.²⁹⁰ Irrespective of Vandemoortele’s views on the strength of Délifrance’s offering, the document provides evidence of a commercial strategy to target Délifrance’s customers and therefore demonstrates a degree of closeness between the Parties;
 - (ii) A 2024 initiative to win a greater share of [X] viennoiserie business, which is identified as having Délifrance as its key supplier;²⁹¹
 - (iii) A 2024 initiative to win [X] and [X] business from Bridor;²⁹² and
- (d) Vandemoortele submitted its latest UK country commercial outlook (ie for Q3 2025) as an annex to the Parties’ response to the Issues Letter. This

²⁸³ Vandemoortele internal document.

²⁸⁴ Vandemoortele internal document.

²⁸⁵ Parties’ response to the Issues Letter, 17 November 2025, paragraph 6.9(c).

²⁸⁶ Vandemoortele internal document.

²⁸⁷ Vandemoortele internal document.

²⁸⁸ Vandemoortele internal document.

²⁸⁹ Vandemoortele internal document.

²⁹⁰ Parties’ response to the Issues Letter, 17 November 2025, paragraph 6.9(a).

²⁹¹ Vandemoortele internal document.

²⁹² Vandemoortele internal document.

document includes one page that assesses the competition in 'pastry', identifying Bridor, Lantmännen, Délifrance, Aryzta, Neuhauser, Europastry and La Lorraine.²⁹³ Notably:

- (i) This document was prepared in Q3 of 2025 and was therefore after the Merger was agreed and the CMA's phase 1 review had commenced. This is relevant for our assessment of the evidentiary weight to be attached to such documents.²⁹⁴
- (ii) In any event, when considering the analysis of each of the competitors, the document indicates that Vandemoortele considers that Aryzta, Neuhauser, Europastry and La Lorraine exert less of a competitive constraint than Bridor and Lantmännen. In particular:
 - (1) Although all four suppliers are noted as having relationships with UK focused retail (via the supply of bread to Tesco for Aryzta and Neuhauser, and via the supply of donuts for Europastry and La Lorraine), each is described as having an 'Unknown Pastry reputation in UK focussed retailers (exc Tesco)';
 - (2) Aryzta and Neuhauser are noted as having an [10-20]% combined market share, compared to Délifrance's [30-40]%; and
 - (3) The route to market for Europastry and La Lorraine is described as 'NA in 2025'.

7.81 During our phase 1 review, Vandemoortele argued that Aryzta was a very significant competitor in LD products in the UK, and that Aryzta's importance was not reflected in its documents because it had been relying on a data set that did not include Aryzta and so Vandemoortele had been unaware of its significance. We note, however, that in 2023 business documents, Vandemoortele identified Aryzta as the largest supplier of LD products in the retail segment with [20-30]% share driven by its role as the key supplier to Lidl.²⁹⁵ In that document, Aryzta's share appears in data sets alongside the shares of other competitors, but there are no further references to Aryzta, although there are, for example, references to targeting volumes sold by other specific competitors. Despite being aware of Aryzta's role in supplying Lidl, Vandemoortele does not identify Aryzta as a major competitor and its UK-specific documents include limited references to Aryzta. Moreover, despite Aryzta's long-term role as a supplier to Lidl (since at least 2021), its share of supply remains small (see Table 7.1) and third parties have not

²⁹³ Vandemoortele internal document, Annex 28 to the Parties' response to the Issues Letter 17 November 2025, page 58.

²⁹⁴ Consistent with the approach outlined in [CMA 129](#), paragraph 2.29; we are likely to attach more evidentiary weight to documents generated prior to the period in which a merger was in contemplation.

²⁹⁵ Vandemoortele internal document.

provided evidence of Aryzta providing a material constraint in the broader UK market.

- 7.82 Third, while Délifrance submitted relatively few UK-specific documents, those few documents also appear to identify a relatively limited range of suppliers, including Vandemoortele.
- (a) These documents are predominantly ‘account plans’ for key UK customers and, while limited in number, indicate that Délifrance monitors the following competing suppliers of LD products: Bridor, Lantmännen, Aryzta and Vandemoortele (as well a broader range of competitors for bread). By way of example:
- (i) The [REDACTED] account plan outlines the risks for an upcoming tender and identifies only two other competitors besides Vandemoortele (Lantmännen and Bridor). Vandemoortele is identified as having ‘aggressively competed in 24/25 Tender’;²⁹⁶
 - (ii) The [REDACTED] account plan identifies Bridor as a competitor;²⁹⁷
 - (iii) The [REDACTED] account plan identifies Vandemoortele, Lantmännen and Aryzta as competitors;²⁹⁸ and
 - (iv) The [REDACTED] account plan identifies Bridor, Vandemoortele and Schulstard (owned by Lantmännen) as competitors.²⁹⁹
- (b) Délifrance submitted a number of updated ‘account plans’ together with the Parties’ response to the Issues Letter. Although these documents were prepared after the Merger was agreed and once the CMA had commenced its phase 1 review, they are broadly consistent with the previous iterations of the documents submitted in response to the CMA’s information request.
- (c) As noted in the Parties’ response to the Issues Letter, Délifrance identified Bridor, Lantmännen and Neuhauser as part of its assessment of ‘Competitor Threat’ for the [REDACTED] FFLD tender (whereas ultimately Europastry won the tender).³⁰⁰ While Neuhauser is listed as a threat, the document was prepared in July 2025 and was after the Merger was agreed and once the CMA had commenced its phase 1 review, which is relevant for our assessment of the evidentiary weight to be attached to such documents. In any event, the

²⁹⁶ Délifrance response to P1-s109-02, Annex 2, slide 20.

²⁹⁷ Délifrance response to P1-s109-02, Annex 6, slide 6.

²⁹⁸ Délifrance response to P1-s109-02, Annex 4, slides 22 and 29.

²⁹⁹ Délifrance response to P1-s109-02, Annex 1, slide 8.

³⁰⁰ Parties’ response to the Issues Letter, 17 November 2025, paragraph 6.9(b).

document notes Neuhauser's 'smaller portfolio' as a weakness and questions whether it could 'handle the uplift of business from [✂]'.³⁰¹

Europe-wide internal documents

- 7.83 We have also reviewed a number of internal documents relating to the Parties' activities at the Europe-wide level. These internal documents provide further evidence relevant to our assessment.
- 7.84 First, a Vandemoortele internal document considering the overall Merger rationale identifies the Merged Entity being the '#1 player' in the UK.³⁰²
- 7.85 Second, the Europe-wide internal documents demonstrate that the competitor set active across continental Europe is broader than only the competitors identified in the UK-specific documents. In particular, one Europe-wide document refers to Bridor, Europastry, La Lorraine, Aryzta and Lantmännen as 'truly international competitors' that are 'assertively growing through M&A and CAPEX'.³⁰³ More generally, the Europe-wide documents refer to the following competitors that are not monitored on a regular basis in the UK-specific documents: Aryzta, Europastry, European Bakery Group, Gourmand, La Lorraine and Neuhauser.³⁰⁴
- 7.86 However, the Europe-wide documents do not provide evidence that this broader competitor set is relevant in the UK. In fact, the difference between the two categories of internal documents indicates that there are differences in competitive dynamics in the UK and Europe. We have not seen evidence in the Europe-wide internal documents that shows that the Parties' UK businesses have inaccurately understood competition in the UK or failed to reflect this accurately in the UK-specific internal documents.

Our assessment

- 7.87 We consider that the Parties' internal documents are consistent with the wider evidence. The Parties are two of the largest suppliers in a highly concentrated market for the supply of LD products in the UK and are close competitors that monitor each other alongside a limited number of alternative competitors. While the Parties consider a broader range of competitors at the Europe-wide level, the internal documents indicate that only Bridor and Lantmännen are considered as material competitive constraints in market for the supply of LD products in the UK.

³⁰¹ Parties' response dated 16 July 2025 to the CMA's RFI dated 9 July 2025 (**P1-RFI-02**), Annex 29.

³⁰² Vandemoortele internal document.

³⁰³ Vandemoortele internal document.

³⁰⁴ See for example: Vandemoortele internal documents; Délifrance internal document, and Parties' response to the Issues Letter, 17 November 2025, paragraph 6.6(c).

Our provisional views on our TOH

- 7.88 We have assessed how closely the Parties compete with one another and the competitive constraints from other suppliers.
- 7.89 For the reasons set out above, our provisional conclusion is that the Parties are close competitors in the supply of LD products in the UK. The market for LD products in the UK is highly concentrated, and the Parties are two of the four largest suppliers of LD products as shown by shares of supply, internal documents and evidence from third parties. The Parties' focus on the FFLD segment within the relevant market means they likely compete even more closely than shares for all LD products indicate. Bidding data provided by the Parties, whilst limited, supports that the Parties compete more closely with each other than most other suppliers.
- 7.90 The other two main suppliers of LD products in the UK are Bridor and Lantmännen. Evidence we have reviewed indicates that Bridor is a close competitor of the Parties. Lantmännen is a less close competitor of the Parties as it has a weaker presence in the FFLD segment and has a greater focus on Danish pastries. The bidding data also shows that Lantmännen competes against the Parties much less frequently than Bridor. Nevertheless, third party evidence and internal documents indicate that Lantmännen is a strong competitor in the UK market.
- 7.91 There are several smaller alternative suppliers of LD products active in the market, notably Aryzta and Europastry. We have considered the competitive constraint posed by these suppliers.
- 7.92 Evidence indicates that Aryzta and Neuhauser have a relatively small presence in the UK market for LD products with both having a share of supply less than [5-10]%. Neither Aryzta nor Neuhauser appears significantly in the Parties' bidding analysis, or internal documents which consider competitive dynamics in the UK, and both were only considered a suitable supplier by a minority of customers. We do not consider that either Aryzta or Neuhauser provides a significant competitive constraint on the Merged Entity.
- 7.93 Similarly, Europastry also has a small presence in the UK market with a share of [0-5]% in 2024. Europastry rarely appears in the Parties' internal documents assessing competition for LD products in the UK or in their bidding data, and is not listed as the winner of any opportunities. We note that Europastry has recently won some volumes from [X] and therefore competes with the Parties. Moreover, there is some evidence that this quality-based loss was noticed by [X] customers, which suggests that Europastry may pose a degree of competitive constraint. However, the volumes involved in the tender are relatively small, and not necessarily indicative of an ability to compete on a wider scale in the UK market.

Based on data provided by Europastry, its estimated share, even with these additional volumes, would not exceed [0-5]%.³⁰⁵ Third party evidence also shows that Europastry is only considered a strong supplier by a small minority of third parties, and it rarely appears in the Parties' UK-specific internal documents. We do not consider that Europastry provides a significant competitive constraint on the Merged Entity.

7.94 With regards to other competitors active in the supply of LD products, the evidence indicates that these suppliers have limited presence in the UK. Therefore, we consider that they are unlikely to pose a material constraint on the Merged Entity, either individually or collectively.

7.95 The combination of the Parties' respective leading positions in LD products to create a clear market leader, alongside the small number of significant competitors, indicates that the Merged Entity would face few material competitive constraints in the supply of LD products in the UK.

Our provisional conclusion

7.96 For the reasons set above, our provisional conclusion is that, subject to our provisional conclusion on countervailing factors (see Chapter 8 below), the Merger has resulted, or may be expected to result, in an SLC as a result of horizontal unilateral effects in the supply of LD products to retail and foodservice customers in the UK.

³⁰⁵ CMA analysis of Europastry data provided in response to the CMA's phase 1 customer questionnaire, question 3 and [X] response [X] to the CMA's follow up questions [X], question 5.

8. COUNTERVAILING FACTORS

Entry and expansion

- 8.1 Entry, or expansion of existing firms, can mitigate the effect of a merger on competition, and in some cases may mean that there is no SLC. The CMA will consider entry and/or expansion plans of rivals who do so in direct response to the merger as a countervailing measure that could prevent an SLC. Entry or expansion plans of rivals that occurs irrespectively of whether the merger proceeds may be considered in the competitive assessment when appropriate.³⁰⁶ In assessing whether entry or expansion might prevent an SLC, the CMA considers whether such entry or expansion would be timely, likely and sufficient.³⁰⁷

Barriers to entry and expansion

- 8.2 With regards to barriers to entry and expansion irrespective of the Merger, the Parties submitted that barriers to entry and expansion are low for the supply of Laminated Dough-based FMG.³⁰⁸ The Parties submitted that:
- (a) entry requires fairly limited capital investments and the technologies and inputs required are widely accessible;
 - (b) scale is not important to be competitive; and
 - (c) there are low regulatory requirements and barriers to entry into the UK.
- 8.3 However, third party evidence on barriers to entry and expansion we received indicates that barriers to entry and expansion are generally high for LD products:
- (a) One supplier told us that extending capacity is both expensive and time-consuming with the cost of constructing a production line either exceeding 25 million euros if factory space is available or exceeding 40 million euros if a full factory is needed.³⁰⁹ The supplier also submitted that construction would take up to two years and there is a long lead time associated with purchasing equipment to produce laminated products.
 - (b) Another supplier submitted that entry and expansion is not possible without investment and lead time and would require over 10 million euros of investment. The supplier also noted that there have not been any significant new entrants to the UK market in recent years.³¹⁰

³⁰⁶ [CMA129](#), paragraph 8.28.

³⁰⁷ [CMA129](#), from paragraph 8.40.

³⁰⁸ FMN, paragraph 22.2.

³⁰⁹ [redacted] call note.

³¹⁰ [redacted] call note.

(c) Another supplier submitted that it would be difficult for a small player to enter without a UK presence unless it has a solid background like the big players.³¹¹

8.4 We have not received any evidence of entry or expansion being planned or occurring as a response to the Merger and have considered the Parties' submissions, and related evidence, on planned capacity investments by competitors in paragraphs 7.20 to 7.30 of the competitive assessment above.

8.5 In view of the above, we have provisionally concluded that entry or expansion, driven by either suppliers or customers, would not be timely, likely and sufficient to prevent an SLC from arising.

Buyer power

8.6 The Parties submitted that customers across both the retail and foodservice channels in the UK are highly sophisticated and enjoy considerable buyer power.³¹² The Parties submitted that customers will continue to be able to threaten to switch, which will deter the Merged Entity from (hypothetically) raising prices or reducing quality because of the following factors:³¹³

- (a) The UK retail market is highly concentrated and both foodservice and retail customers feature a small number of powerful companies;
- (b) These retailers are well informed and price sensitive;
- (c) Retailers hold regular tenders specifically designed to maximise competitive outcomes;
- (d) Low switching costs, multi-sourcing strategies, and flexible contracts mean the threat of switching suppliers by retailers is both credible and routinely exercised;
- (e) If necessary, buyers can sponsor entry or expansion in a timely fashion; and
- (f) Customers maintain relationships with multiple competing suppliers across bakery categories and geographies, further enabling switching.

8.7 As evidence, the Parties provided:

³¹¹ [REDACTED] call note.

³¹² FMN, paragraph 14.190.

³¹³ Parties' submission to the CMA, 17 October 2025, Key Issues Paper, paragraph 5.2.

- (a) Customer data which shows that a small number of customers in both foodservice and retail are responsible for the majority of the Parties' revenues,^{314, 315}
- (b) Recent examples of customers either switching from the Parties or considering switching away,^{316,317} and
- (c) Recent examples of customer pressure such as emails that show price negotiation or comparisons with other suppliers.³¹⁸

8.8 We consider that most forms of buyer power that do not result in new entry – for example, buyer power based on a customer's size, sophistication, or ability to switch easily – are unlikely to prevent an SLC that would otherwise arise from the elimination of competition between the merger firms. This is because a customer's buyer power depends on the availability of good alternatives they can switch to, which in the context of an SLC will have been reduced.³¹⁹

8.9 While we recognise a degree of concentration in the customer base, we have not seen evidence that this results in buyer power that would offset any loss of competition.

8.10 We consider that the examples provided by the Parties of negotiations with retailers are evidence that price negotiations happen, as might be expected in the ordinary course of business, but this is not in itself evidence that buyer power is sufficient to prevent an SLC.³²⁰ It is the identity of the alternative suppliers being considered by customers as part of any such negotiations that is relevant and we consider evidence on the options considered by customers in the assessment of the theory of harm above. We note also from information gathered as part of the Undertakings in Lieu process at phase 1 that customers switching between plants (and suppliers) involves some complexity because not all plants have [X], [X], for example [X] or [X].³²¹ In addition, the Parties told us that LD products are manufactured to the customer's own specifications with little reliance on the manufacturers' intellectual property.³²² Therefore switching to an alternative supplier (or plant) is likely to take time and involve some costs. Furthermore, an internal document from August 2025, provided by Vandemoortele, shows that it

³¹⁴ FMN, Figures 38–41.

³¹⁵ Parties' Issues Meeting slides, 13 November 2025, slide 16.

³¹⁶ FMN, Tables 40–43.

³¹⁷ Parties' response to the Issues Letter, 17 November 2025, paragraph 5.12.

³¹⁸ Parties' response to the Issues Letter, 17 November 2025, paragraphs 4.4 – 4.7.

³¹⁹ [CMA129](#), paragraph 4.20.

³²⁰ Parties' internal documents, Annex 05, slide 3 and Annex 06, page 1 to the Parties' response to the Issues Letter, 17 November 2025.

³²¹ Parties response to the CMA's questions of 20 February 2026, paragraphs 2.2-2.4 and 3.5-3.6.

³²² Parties, Teach-in slides, 19 May 2026, slide 10.

has [REDACTED] for two of the Parties' key contracts.³²³ This indicates that any buyer power has not constrained the Parties [REDACTED].

- 8.11 We have considered whether buyer power could result in new entry. Specifically, we asked customers whether the following would be viable alternatives to using existing suppliers: (i) self-supply; or (ii) sponsoring entry and expansion.³²⁴
- 8.12 With regard to self-supply, the vast majority of customers that responded to the question submitted that self-supply is not a viable option.³²⁵ Customers submitted that they did not have the manufacturing capability required to self-supply³²⁶ and that even if they did it would not be commercially feasible.³²⁷
- 8.13 With regard to sponsored entry, some customers indicated that they were in theory open to the idea, but noted that it would not be a short-term solution and would only be considered as part of a long-term strategic initiative.³²⁸ One customer submitted that the risk would be too great to give a single supplier such a sizable contract if they could not immediately supply the required volumes.³²⁹ Other customers submitted that it would require unique capability from a supplier to make this commercially viable and attractive³³⁰ or require a sizable opportunity.³³¹
- 8.14 In view of the above, we have provisionally concluded that buyer power would not prevent an SLC from arising.

Our provisional conclusion on countervailing factors

- 8.15 Based on the assessment set out in this chapter, we have provisionally concluded that there are no countervailing factors that would prevent or mitigate any SLC arising from the Merger.

³²³ Vandemoortele internal document, Annex 28 to the Parties' response to the Issues Letter 17 November 2025, page 73.

³²⁴ Appendix A contains a list of third party responses to the CMA's questionnaires.

³²⁵ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 12. [REDACTED]

³²⁶ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 12. [REDACTED]

³²⁷ Response to the CMA's phase 1 customer questionnaire from a third party, question 12. [REDACTED]

³²⁸ Responses to the CMA's phase 1 customer questionnaire from a number of third parties, question 12. [REDACTED]

³²⁹ Response to the CMA's phase 1 customer questionnaire from a third party, question 12. [REDACTED]

³³⁰ Response to the CMA's phase 1 customer questionnaire from a third party, question 12. [REDACTED]

³³¹ Response to the CMA's phase 1 customer questionnaire from a third party, question 12. [REDACTED]

9. PROVISIONAL CONCLUSIONS

- 9.1 As a result of our assessment, and based on the evidence that is set out above and in the appendices to this Interim Report, we have provisionally concluded that:
- (a) the completed acquisition by Vandemoortele of Délifrance has resulted in the creation of an RMS; and
 - (b) the creation of that RMS has resulted, or may be expected to result, in an SLC in the supply of LD products to retail and foodservice customers in the UK.

10. NEXT STEPS IN THE PROCESS

- 10.1 This is not our final decision on the statutory questions, and we invite any interested parties to make representations to us on these provisional findings by no later than **5pm on Thursday 9 July 2026**. We will consider submissions received in response to this Interim Report, along with any further evidence received following the Interim Report, and whether our provisional assessment should be altered in the light of these.
- 10.2 As a result of the provisional SLC identified, we will consider possible remedies to address the SLC in parallel with considering any submissions received in response to this Interim Report.
- 10.3 Following the SLC Concession, Vandemoortele has already supplied to us a phase 2 Remedies Form (the **Remedies Form**). The CMA is publishing an Invitation to Comment on Remedies in parallel with this Interim Report in order to consult on possible action to remedy, mitigate or prevent the SLC and the resulting adverse effects provisionally identified. For more information on the phase 2 remedy process, see Chapter 12 of [CMA2](#), 2 January 2025.

CONTENTS

APPENDIX A: Third party respondents to the CMA's questionnaires.....1

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Table A.1: Third party respondents to the CMA's phase 1 customer questionnaire dated 3 October 2025

[✂]

Table A.2: Third party respondents to the CMA's phase 1 competitor questionnaire dated 3 and 13 October 2025

[✂]

* [✂].

Table A.3: Third party respondents to the CMA's phase 2 customer questionnaire dated 13 May 2026.

[✂]