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COMP/M.6611 - ARLA FOODS / MILK LINK

SECTION 1.2

Description of the concentration

Arla is a dairy co-operative owned by Swedish, Danish and German dairy farmers. It is active in the production and sale of a variety of dairy products. Arla's headquarters are in Denmark but it has activities throughout the world. Milk Link is a British farmers' co-operative with its headquarters in Bristol and with eight processing facilities located in the UK.

The Parties have signed an agreement conditional, amongst other matters, on merger control clearance, pursuant to which Arla will acquire sole control of Milk Link's business and assets. In return, the Milk Link co-operative will become a corporate member of Arla with substantially the same membership rights as granted to the Scandinavian members of Arla.

The Parties have complementary business activities in the UK, with Arla primarily focussing on fresh milk, cream and butter products whilst Milk Link primarily focuses on the production of cheese, although both Parties are involved in the production of long-life and flavoured milk in the UK.