

***Case No COMP/M.3149 -
PROCTER & GAMBLE /
WELLA***

Only the English text is available and authentic.

**REGULATION (EEC) No 4064/89
MERGER PROCEDURE**

Article 6(2) NON-OPPOSITION
Date: 30/07/2003

*Also available in the CELEX database
Document No 303M3149*



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 30.07.2003

SG (2003) D/231120

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EEC) No 4064/89 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus [...]. Where possible the information omitted has been replaced by ranges of figures or a general description.

PUBLIC VERSION

MERGER PROCEDURE
ARTICLE 6(2) DECISION

To the notifying party:

Dear Sir/Madam,

**Subject: Case No COMP/M.3149 – PROCTER & GAMBLE / WELLA
Notification of 16/06/2003 pursuant to Article 4 of Council Regulation No 4064/89¹**

1. On 16/06/2003, the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EEC) No 4064/89 by which the undertaking Procter & Gamble Germany Management GmbH (Germany) controlled by the Procter & Gamble Company (USA) (“P&G”) acquires within the meaning of Article 3(1)(b) of the Council Regulation sole control over the whole of the undertaking Wella AG (Germany) by way of purchase of shares.
2. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of the Merger Regulation and does not raise serious doubts as to its compatibility with the Common Market and with the EEA Agreement.

¹ OJ L 395, 30.12.1989 p. 1; corrigendum OJ L 257 of 21.9.1990, p. 13; Regulation as last amended by Regulation (EC) No 1310/97 (OJ L 180, 9. 7. 1997, p. 1, corrigendum OJ L 40, 13.2.1998, p. 17).

I. THE PARTIES

3. Procter & Gamble is an international group of companies engaged in the production of baby, feminine and family care products, fabric and home care products, beauty and health care products, snacks and beverages.
4. Wella is an internationally active manufacturer of cosmetics focusing on hair care products for consumers and hair salons, hair salon furniture and equipment, training programs for hair salons, cosmetics and fragrances.

II. CONCENTRATION

5. The operation consists of the acquisition by P&G of sole control of Wella. The operation thus constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

III. COMMUNITY DIMENSION

6. The undertakings P&G and Wella have a combined aggregate world-wide turnover in excess of EUR 5 billion² (P&G EUR 40.420 billion and Wella EUR 3.391 billion). Each of them has a Community-wide turnover in excess of EUR 250 million (P&G EUR [...] billion and Wella EUR [...] billion), but they do not achieve more than two-thirds of their aggregate Community-wide turnover within one and the same Member State. Therefore, the notified operation has a Community dimension. The notified operation constitutes a co-operation case with the EFTA Surveillance Authority under Article 57 of the EEA Agreement in conjunction with Article 2(1)(c) of Protocol 24 to that Agreement.

IV. COMPETITIVE ASSESSMENT

A. Relevant Product Markets

7. The notified operation creates overlaps in the markets for hair care products, fragrances and colour cosmetics.

Colour cosmetics

8. Colour cosmetics comprise a variety of products designed to condition the face, eyes, lips and nails in order to enhance a person's appearance. The notifying party suggests there is a single relevant product market for all colour cosmetics on the basis that most cosmetics producers provide the full line of colour cosmetic products, and consumers tend to purchase combinations of different colour cosmetic products. It is not necessary to determine the precise delineation of the relevant product market since on the basis of all alternative market definitions considered, the proposed operation would

² Turnover calculated in accordance with Article 5(1) of the Merger Regulation and the Commission Notice on the calculation of turnover (OJ C66, 2.3.1998, p25). To the extent that figures include turnover for the period before 1.1.1999, they are calculated on the basis of average ECU exchange rates and translated into EUR on a one-for-one basis.

not raise serious doubts as to the creation of a dominant position in the EEA market or any substantial part of that area.

Fragrances

9. Fragrances lend a specific scent to the human body when applied to the skin. The notifying party submits that the fragrances segment comprises four relevant product markets as follows: (a) fragrances for men in a prestige category; (b) fragrances for women in a prestige category; (c) fragrances for men in a mass category; and (d) fragrances for women in a mass category. This is so due to differences, which exist between the different markets concerning for example, pricing, brand image, distribution channels, methods of promotion and the competitive environment. However, it is not necessary to further delineate the relevant product markets because on the basis of all alternative market definitions considered the proposed operation would not raise serious doubts as to the creation of a dominant position in the EEA market or any substantial part of that area.

Hair care

10. The notifying party submits that the hair care sector should be divided into different relevant product markets based on different end-use as follows: (a) Shampoos, (b) Conditioners and Treatments, (c) Styling Products, and (d) Colourants.
11. With respect to different distribution channels, a further distinction might be drawn between the hairdresser channel and the general retail channel. In line with the Commission's practice,³ the notifying party proposes such a distinction for colorants. The market investigation however, indicated that such a distinction is appropriate for all hair care products on the basis that to a great extent brands, products and package designs are different and prices of products in hair salons are considerably higher. Wella is active in the professional and retail channel, whereas P&G is only active in the retail channel.
12. The market investigation indicated the sale of hair care products over the counter in hair salons is not part of the retail channel on the basis of the existence of different brands, different package design and prices. Over the counter sales in hair salons were not investigated further as the activities of the parties do not overlap.

Shampoo

13. According to the notifying party, the relevant product market for shampoo comprises a broad variety of shampoos including hydrating, protecting, volume-texturing, "smooth and silky", medicated, anti-dandruff, 2-in-one shampoos and shampoos for men and children. The market investigation did not provide clear evidence that the market should be further segmented according to the specific end-use of different shampoos. Whilst there are differences in product characteristics between different varieties (e.g., 2-in-one, anti-dandruff and shampoos for men), the prices of shampoos are similar. Most brands have product lines for 2-in-one, anti-dandruff and shampoos for men. For the purposes of this decision, however, it is not necessary to determine whether the

³ Case IV/M.630 – Henkel/Schwarzkopf. In that decision, it was not necessary for the Commission to decide whether such distinction also applies to other hair care products.

different varieties of shampoos constitute separate product markets or whether they belong to the overall shampoo market. On the basis of the market investigation and data provided by the notifying party, serious doubts as to the creation of a dominant position arise under all market definitions considered.

Conditioners and treatments

14. Conditioners and treatments are products that are designed to protect, maintain or improve the condition of the hair and scalp. The notifying party considers that retail sales of conditioners and treatments are part of the same product market on the basis that both serve the same needs and are fully substitutable from the customer's point of view. The notifying party considers a further subdivision into conditioners and a market for treatments is inappropriate.
15. The Commission's market investigation however, indicated that the majority of customers consider conditioners and treatments constitute separate product markets on the basis of product characteristics, application, functionality, price and frequency of use. Some responses suggested conditioners and treatments belong to separate product markets because of different use, however, others claimed both belong to the same market, since they are interchangeable as they condition hair after shampooing. It also appears that considerable price differences exist (on average treatments are twice as expensive as conditioners). However, for the purposes of the present decision it is not necessary to determine whether conditioners and treatments constitute separate markets since the proposed transaction would raise serious doubts as to the creation of a dominant position on the basis of either market definition.

Styling products

16. Styling products lend a specific appearance to the hair. In particular, these products alter or enhance volume, create or maintain a certain hair styling, give hair a glossy shine, eliminate dryness and smoothen frizzy hair. According to the notification there is one product market for styling products, comprising hairsprays, setting lotions and other styling products like hair gel, wax, cream, glazes, lotions, liquids, styling mousse and other types of styling aids. The notifying party suggests that a further distinction into a separate market for hair spray and other styling aids is not justified. In this context, the parties also refer to the decision in Case IV/M.639 (Henkel/Schwarzkopf), in which the Commission left open the issue whether or not hair spray, setting lotion, gel and wax belonged to the same product market.
17. The market investigation did not provide clear evidence as to whether there is one retail market for the sale of styling products or, alternatively, distinct markets exist for hair spray, shaping gel, styling mousse, hair wax, setting lotions, and clear settings. There are however, indications that distinct product markets exist due to the different functions of these products. For the purposes of the present decision, however, it is not necessary to further delineate the relevant product market, since the proposed transaction would raise serious doubts as to the creation of a dominant position on the basis of all alternative market definitions considered.

Hair Colourants

18. Hair colourants are chemical substances used to alter the colour of the hair. There are several types of hair colorants offering different duration of the colouring effect

depending on chemical composition: permanent, semi-permanent and temporary hair colours. The notifying party considers that a segmentation according to type of hair colourants is not justified and that all hair colourants form one relevant product market. The Commission's market investigation did not provide clear evidence as to whether the hair colourants market could be further sub-divided according to type of hair colourants. However, it appears that the market positions of the parties and their competitors do not significantly vary among the different segments. Therefore, it is not necessary to further delineate the relevant product market, since the proposed transaction would raise serious doubts as to the creation of a dominant position on the basis of all alternative market definitions considered.

B. Relevant Geographic Markets

Fragrances & Colour Cosmetics

19. The notifying party submits that the geographic market for the production of cosmetics and toiletries including fragrances and colour cosmetics is EEA-wide. The organisation of distribution and purchasing along national lines amongst other factors, suggest that these markets may be national. However, for the purposes of this decision, the question whether the markets are EEA-wide or national may be left open since on either basis, the proposed operation would not raise serious doubts as to the creation of a dominant position in the EEA market or any substantial part of that area.

Hair care products in the retail channel

20. The notifying party submits that the geographic market for hair care products sold through the retail channel is EEA wide, or alternatively, can be defined according to regional clusters combining neighbouring countries: Denmark/Norway/Sweden; Portugal/Spain; United Kingdom/Ireland; Austria/Germany/Netherlands; Greece/Italy; Belgium/France. Given that the proposed operation gives rise to competition concerns in Ireland, Norway and Sweden the Commission in particular examined whether the United Kingdom/Ireland, and Norway/Sweden/Denmark constitute such relevant geographic clusters.
21. The notifying party states that the branding and advertising of hair care products is similar across the whole EEA and that multi-language packaging is used in several countries. According to the notifying party, P&G's distribution and sales system has a centralised structure and competitors are organised on a similar basis. Decisions regarding P&G's list price determination in Western Europe are made centrally and are executed with customers by the local market development organisations. The notifying party stated that local preferences for brands of hair care products did not differ significantly between Member States.
22. The Commission's market investigation however, discovered strong indications that the geographic markets are national.
23. First, whilst many brands are marketed throughout several EEA States and on a wider international basis, within the EEA several manufacturers use different brand names in various countries. For example, L'Oreal operates 'Elseve' in France, Elvive in the UK

and El Vital in Germany.⁴ Although there may be an international approach to the communication of the advertising message to consumers, promotion methods vary according to the national/local market situation. Some manufacturers produce single language labels for each Member State but several produce multi-lingual labels, sometimes with two or three languages.

24. Second, with respect to production, distribution and organisational structures, virtually all manufacturers have production sites in various locations throughout the EEA and distribution takes place on a national basis. The market investigation indicated transport costs represent 1-3% of wholesale price. The majority of manufacturers adopt a multi-layered organisational structure. Most are headquartered in Western Europe where they have an international marketing and international sales department. All manufacturers have sales forces organised on a national basis in each of the EEA countries (with some exceptions, Luxembourg, Liechtenstein, Iceland). Marketing activities are performed on a national basis. The majority employ national brand managers responsible for activating the brand on a national basis and some also have regional brand managers responsible for European brand strategy, new product developments and mass media advertising. Some manufacturers adopt a national approach only to brand management. The vast majority of manufacturers rely upon national price lists and prices to retailers are set nationally, within a reference margin or corridor.
25. Third, contrary to the views of the notifying party, manufacturers were of the view that consumer preferences varied among different regions of the EEA, noting differences in the positioning of their own brands.⁵ The per brand market shares of the parties varied considerably according to Member State. For example, P&G's "Head & Shoulders" shampoo has a market share of approximately [20-30]% in Sweden whereas it only reaches approximately [0-10]% in Denmark, Portugal and the Netherlands. In addition, there are several local brands which are only present in one or few Member States, e.g. Unilever's Andreon in the Netherlands or Wella's styling brand "Catzy" in Norway.
26. Fourthly, retail customers purchase hair care products from national sales and marketing teams. The reasons for this are that they require just-in-time delivery (within 48 hours), reliability of deliveries, promotional support, information on local market intelligence from the distributors' sales force and the sharing of IPOS data (in order to facilitate category/shelf management). In view of the foregoing, retail customers stated that they would not switch purchases to a distributor in another Member State if prices were to increase by 5-10%.
27. Fifth, the Commission examined hair care product retail price data which indicated significant variations between Member States. For example, during February 2000-December 2002, Pantene (P&G) shampoo in Greece was approximately EUR [...] - EUR

⁴ Unilever operate under the brand name 'Clear' in France and Italy but use the brand name, 'Linic' in Portugal and 'Ultrex' in Greece. Johnson & Johnson has different baby brands, 'Penatin' in Germany and Austria, Natusan in Scandinavian countries. Henkel's product 'Taft' is branded as 'Pro Styling' in the UK and its product 'Schauma' is branded as 'Schwarzkopf' in Belgium and the Netherlands.

⁵ For example, the market investigation indicated a higher demand for styling waxes in the southern countries of the EEA and higher demand for hairspray in the north. In colourants, natural shades with good grey coverage have greater potential in the southern countries.

[...] per litre, and in Portugal EUR [...] - EUR [...] per litre. Pantene (P&G) conditioner in Greece retailed at between EUR [...] - EUR [...] per litre whereas in Portugal it retailed at between EUR [...] - EUR [...]. In Greece, (January 2002 - November 2002) Wella Vivality treatments retailed at between EUR [...] - EUR [...] per litre whilst in Sweden they were EUR [...] - EUR [...]. The significant differences between retail prices may be explained by different margins of retailers in Member States. Persistent price differences that are not due to transport costs are a strong indicator that hair care products in one Member State do not exercise a competitive constraint on hair products in other Member States.

28. On the basis of the foregoing, the Commission considers there are strong indications that the markets for the supply of hair care products are national. As regards the geographic scope of the market for professional hair care products, the notifying party submitted this is EEA-wide because all products are branded European-wide. However, the Commission notes that the structure of the hairdresser business (i.e., proportion of privately run salons and salon chains) differs between Member States. The close contact between manufacturers and hairdressers requires national sales and training structures. In addition, according to the notifying party, price levels of products and market shares differ substantially between Member States. On the basis of the foregoing, the Commission considers there are strong indications that these markets are national in scope.

Country clusters

29. The market investigation also examined the issue of the suggested UK/Ireland and Scandinavian clusters. Although it is true that, in these cases, the language of labels does not constitute a barrier to cross-border trade (in Scandinavia, most products have multi-language labels), no evidence for the existence of such clusters has been found.

United Kingdom/Ireland

30. The notifying party suggested that the UK and Ireland were a natural cluster on inter alia, grounds of geographic closeness, the historical, cultural, political, social, economic and business ties between the two nations and the similar retail and distribution structure in the UK and Ireland.⁶
31. In Ireland, P&G's products are distributed by Johnson Brothers, an independent, exclusive distributor which applies a price list and terms and conditions for Ireland. Johnson Brothers also supplies products upon request to a small number of customers in Northern Ireland, however pursuant to the P&G UK price list and not the Johnson P&G Ireland price list. For most of the products where the Commission compared prices directly, the prices of the Johnson Brothers' price list were approximately [...] - [...] % higher than the P&G UK price list.⁷

⁶ On 4 July 2002, the notifying party produced a study stating that prices in the UK and Ireland were comparable and that there were not significant price differentials between the two countries. The study also stated, without providing evidence, that there were no barriers to entry in Ireland and that switching costs for customers wishing to purchase hair care products from other Member States were low.

⁷ Wella's price lists were not provided. Complete price lists for P&G products in both countries were delivered only on 22 July 2003, following several requests by the Commission.

32. Customers in Ireland may also purchase from P&G UK directly. In order to qualify for supply direct from P&G UK however, Irish customers are required to satisfy a minimum purchase requirement of at least 1 truck (26 pallets) of products. Such customers however, only have the possibility to buy products according to an “Irish Price list” in Euro (created especially for such direct sales), but not according to the P&G UK price list in £ sterling.⁸ According to information provided by the notifying party, during FY 2002-2003, only two customers purchased part of their supplies of hair care products directly representing approximately [...] % of P&G’s business in Ireland. These two customers purchase directly because they have the scale to purchase such large volumes of product. The vast majority of smaller customers accounting for [...] % of P&G Ireland business, do not buy according to the P&G UK direct method as it is not profitable because of the minimum requirements and therefore buy in Ireland only.⁹ The Commission considers the practice of direct sales from the UK to Ireland clearly illustrates that P&G is able to effectively discriminate between Irish and UK customers. The practice of offering direct sales is merely a volume discount on the Irish price list.¹⁰ The Commission observed only one customer based in the UK buys from P&G UK for its requirements both in the UK and Ireland. This customer is an exception since it is responsible for its own distribution network and is therefore not sufficient to materially alter the assessment.
33. Brand positioning between the UK and Ireland also displayed differences. For example, Herbal Essences (P&G) shampoo was the number 3 brand in Ireland with a share of [5-15]%, but was number 7 in the UK with a [0-10]% share. Brylcreem (Sara Lee) was the leading styling aid (gel, wax etc.) brand in Ireland with a [20-30]% share in this segment but was fourth in the UK with a share of [5-15]%. The market investigation also indicated a strong distrust by consumers of private label brands in Ireland as compared with the UK.
34. Retail prices of products in Ireland were significantly higher in Ireland than in the UK. For example, in August 2001, price of Pantene shampoo (P&G) in Ireland was EUR – [...] per litre, whereas in the UK the price was EUR [...] per litre, Head & Shoulders (P&G) was EUR [...] per litre in Ireland and EUR [...] in the UK. Significant differences were observed between the UK and Ireland retail prices of P&G and Wella in styling aids, hairspray, conditioners and treatments. The retail prices of competitors’ products also showed similar differences. Persistent price differences that are not due to transport costs are a strong indicator that hair care products in the UK do not exercise a competitive constraint on hair products in Ireland.
35. On the basis of the foregoing, the Commission considers there are strong indications that the markets for the UK and Ireland are national in scope.

⁸ Customers wishing to purchase directly from the UK, receive the equivalent of a [0-10] per cent discount from the Johnson Brothers’ price list price.

⁹ Customers overwhelmingly responded to the market investigation that they would not switch purchases to the UK if prices in Ireland increased by 5-10%. On 17 July 2003, the notifying party produced an additional study which found that a hypothetical price increase of 5% by a monopolist would be profitable and therefore the assumption could be made that the relevant geographic area is not larger than Ireland.

¹⁰ P&G’s explained that the concept of direct deliveries was offered because it was logistically more straightforward and offered cost savings because there is a large depot at Skelmersdale in the UK.

Norway/Sweden/Denmark

36. According to the notifying party the cluster Denmark, Norway and Sweden belongs historically together. With respect to the alleged Scandinavian cluster, the Commission found that competition conditions, and particularly brands, consumer preferences, prices and distribution systems, vary significantly among Norway, Sweden and Denmark.
37. There are important differences in the presence and importance of the various hair care brands in these countries. Such differences indicate diverging consumer preferences. According to information provided by the notifying party, P&G's brand Pantene is not present in Sweden and its brand Herbal Essences is absent from the Danish market. In the shampoo markets, there are important local brands which are only active in one of these countries: Lilleborg's Define (number [...] in Norway), Henkel's Bärnagen (number [...] in Sweden) and Unilever's Elida (Number [...] in Denmark). In addition, the strength of the various brands varies significantly: While P&G's Head & Shoulders is market leader in Sweden [20-30]%, it is number 4 in Norway ([5-15]%) and number 7 in Denmark ([0-10]%). The situation is similar in other product markets, e.g. in styling products, where Wella, according to the information provided by the parties, markets its brand Catzy only in Norway.
38. The Commission found that wholesale prices differ considerably between the Scandinavian countries. In Norway, the main Wella products cost in the average [20-30]% more than in Sweden.¹¹ In spite of such differences, customers source on a national level. Even large international retailers or associations of retailers with a presence in or links to all of these countries (e.g., [...]) do not source their hair care products centrally or in the cheapest country. They confine themselves to monitor prices in other countries but have not succeeded in narrowing down existing price differences. Moreover, in the course of the market investigation most customers responded that they would not source abroad in case of a 5-10% price increase.¹²
39. The main reason for such national purchasing pattern appears to be the importance of a close relationship with national distributors which ensures a reliable and timely delivery as well as promotional support. In addition, the Norwegian market appears to

¹¹ Price differences on 4 February 2003, i.e. the date of entry into force of the Swedish price list, range from [5-15]% (Wella Normal Shampoo) to [20-30]% (Shockwaves Gel Wax) and to [45-55]% (Vivality Intensiv Kur). No Wella price lists were provided for Denmark. Complete price lists for P&G products in all three countries were delivered only on 22 July 2003, following several requests by the Commission. They indicate price differences of [10-20]% between Denmark and Sweden for P&G's Head & Shoulders shampoo on 1 July 2002. In addition, these lists indicate that P&G does not increase prices for its hair care products simultaneously in the different Scandinavian countries.

¹² The study dated 17 July 2003 intended to establish that a 5-10% price increase for P&G hair shampoos in Norway were not profitable because customers would switch to Sweden and/or Denmark. However, in view of the methodology applied to the Scandinavian "cluster", this study lacks persuasiveness. For example, whilst the questionnaires sent by P&G's consultant to P&G's customers explicitly referred to Pantene when assessing the price elasticity of demand, the study concludes that customers would switch to Sweden although Pantene is not available in Sweden at all (see above). The study further concludes that the estimated price elasticity for Pantene could simply be applied to Head & Shoulders. However, this conclusion is highly doubtful because of the different image, price and strength of these brands. Therefore the Commission concluded that the result of this study has not provided sufficient indications to outweigh the above-discussed findings in favour of national markets.

show some distribution particularities since P&G returned to the independent distributor Midelfart after having failed to build up its own distribution organisation during four years. For all these reasons the Commission concludes that also the Scandinavian hair care markets are national in scope and that the alleged cluster does not exist and is unlikely to emerge in the near future.

C. Competitive Assessment

Fragrances

40. The activities of the parties overlap in the prestige category and to an insignificant extent in the mass category of the fragrances segment. In the mass segment, overlaps only occur in the men's segment leading to combined shares of [0-10]%.
41. In the prestige fragrance segments, both for men and women, the parties combined market shares do not exceed 30% on the basis of any of the combinations of market definitions considered (i.e., a potential segmentation into fragrances for women and for men, both potentially further segmented into a prestige and a mass segment, and all combinations with either a national or an EEA-wide scope). The parties face substantial competition from L'Oreal, Unilever, Coty, LVMH and number of smaller competitors. Therefore, the Commission concludes that the operation does not raise any competition concerns in the fragrances sector.

Colour Cosmetics

42. Both parties are active in the colour cosmetics market: P&G in the mass category and Wella in the prestige category. The 2001 combined market shares of the parties do not exceed 25% in any Member State on the basis of all alternative market definitions considered. In addition, the parties face substantial competition from number of large competitors such as L'Oreal, Coty, Beiersdorf, and Yves Rocher. Therefore, the Commission concludes that the operation does not raise any competition concerns in the colour cosmetics sector.

Hair care

Hairdresser channel

43. Wella, but not P&G, is currently active in the markets for professional hair care products (hairdresser channel). Therefore, the proposed transaction does not result in overlaps in the markets for professional hair care products.
44. However, it might be argued that the merger could eliminate potential competition in the professional hair care products markets and thereby create a collective dominant position of Wella (P&G) and L'Oreal. This could be the case if, absent the acquisition of Wella, P&G had been the most likely and most credible potential entrant into this business and would have thereby exercised significant competitive constraints on the manufacturers active in this market. According to internal reports by Senior Management of P&G's Global Hair Care Division analysing the hairdresser channel, entry into the hairdresser channel was only possible through acquisition but organic growth has not been an option.¹³ According to these documents, an expansion of

¹³ [...].

Clairol's professional US-business, which P&G acquired in 2001 to Europe had not been considered as viable. On 25 July 2003, the notifying party submitted an Affidavit of Mr. Bruce L. Byrnes, Vice-Chairman of the Board of P&G and President 'Global Beauty & Feminine Care and Global Health Care' since 13 July 2000. In this Affidavit, Mr. Byrnes declared that, since then, P&G has never considered new entry into the professional hair care market in Europe as a viable business option. According to Mr Byrnes, the reasons for P&G's conclusions were that it lacked of the infrastructure for entry, that its expertise was in the retail distribution of consumer goods and that an acquisition was the only viable business option to enter the professional hair care market.

45. The Commission found that training infrastructure and close relationships with hair salons are key elements of competition in the professional channel. The Commission has not found any evidence indicating that P&G has either the required personnel with a background in the professional hairdresser channel or the indispensable customer contacts to hair salons in the EEA States. It cannot be concluded from Clairol's presence in the U.S.-hairdresser channel that P&G will be able to build up a close relationship with hairdressers in Europe in the foreseeable future, due to significant structural differences in the hairdresser business between the U.S. and Europe. In addition, in most EEA States, Clairol has no or only a *de minimis* retail presence in more sophisticated hair care products such as colorants and permanent wave products. Clairol has never entered the hairdresser channel in those Member States where it has a stronger presence, established over time, (such as the UK, Ireland and Norway). This can be explained by the fact that neither Clairol nor the whole P&G group has any professional hair care brand which would be competent and attractive in the view of hairdressers in the different EEA States.
46. In the course of its investigation, the Commission contacted professional hairdressers and their associations. A vast majority of their responses confirmed that P&G would only have been able to enter the professional hair care products market by means of an acquisition. In addition, the Commission has not found any indications that the manufacturers of professional hair care products considered P&G's potential reaction in their pricing and other decisions. Moreover, the Commission has not found any indications that a potential entry by P&G into the hairdresser channel was more likely than entry by any other hair care company such as [...].
47. In any event, there is not sufficient evidence to raise serious doubts that the acquisition of Wella by P&G would result in the creation of a collective dominant position in the markets for professional hair care products. The market structure does not indicate a situation of collective dominance. The respective market positions of Wella and L'Oreal are asymmetric in various Member States. L'Oreal is the clear market leader in France ([45-55]% weighted average market share across the different product markets;¹⁴ Wella: [10-20]%), Belgium ([55-65]%; Wella: [10-20]%), Greece ([40-50]%; Wella: [25-35]%), Italy ([35-45]%; Wella: [20-30]%), Portugal ([50-60]%; Wella: [15-25]%) and Spain ([25-35]%; Wella: [15-25]%) whereas Wella is the market

¹⁴ Taking account of the different market volume of the various product markets (shampoo, conditioner, treatment, styling, colorants and permanent waves).

leader in Germany ([40-50]%; L'Oreal: [15-25]%), Austria ([30-40]%; L'Oreal: [15-25]%), Denmark ([25-35]%; L'Oreal: [20-30]%) and Norway ([25-35]%; L'Oreal: [20-30]%).

48. In addition, at least Henkel/Schwarzkopf and KPPS/Goldwell constitute credible and strong fringe players, also and in particular in those Member States with a more symmetric market position of L'Oreal and Wella, such as Ireland, the Netherlands, Sweden and the UK. Their average market share is approximately [5-15]% for both companies and they have market shares exceeding [5-15]% in several Member States. In colorants, the largest and most sophisticated market for professional hair care products representing 45% of the overall market, Henkel's market shares reach [15-25]% in Austria, [15-25]% in Greece, [10-20]% in Ireland, [5-15]% in Spain and the Netherlands, [5-15]% in Norway and [5-15]% in France, Germany and the UK. In colourants, KPPS/Goldwell has market shares of [20-30]% in Sweden, [15-25]% in Denmark and the Netherlands, [10-20]% in Germany and [10-20]% in Austria. The Commission has not found evidence that this structure would significantly change as a result of the proposed concentration.

Hair Care Retail Channel

49. The parties' combined market shares exceed 30% but not 40% in some hair care product markets in Austria, Greece, the Netherlands, Portugal and the United Kingdom. In these Member States, the parties' main competitors such as L'Oreal, Unilever and Henkel as well as smaller manufacturers like Johnson & Johnson, KAO/Guhl, Sara Lee and Beiersdorf exert sufficient competitive constraints. In Ireland, Norway and Sweden, by contrast, the proposed concentration raises serious doubts as to the creation of a dominant position in one or more hair care product markets.

Shampoo

50. According to the notification (based on 2001 figures)¹⁵, the parties reach the following combined market shares: [40-50]% (P&G: [35-45]%; Wella: [0-10]%) in Ireland, [45-55]% (P&G: [30-40]%; Wella: [10-20]%) in Norway and [35-45]% (P&G: [25-35]%; Wella: [5-15]%) in Sweden.¹⁶ These figures were largely confirmed by the responses of competitors and customers. However, with respect to Sweden, the figures provided by customers indicated combined market shares between [40-50]% and [45-55]% for the parties. Based on the information provided by the notifying party and the market investigation, the Commission has not found any evidence indicating significantly different shares on the basis of narrower markets as discussed in the market definition

¹⁵ The notifying parties submitted 2001 market share data with the notification in respect of the retail channel derived from data compiled by AC Nielsen, IRI, and Euromonitor. According to the notifying party, the data was upgraded to a 100% coverage on the basis that the panel data do not give a full picture of the market and do not take into account all retail outlets such as discounters and pharmacies. The notifying parties subsequently produced market share estimates for 2002, however, these proved to be unreliable on account of significant differences in market shares and market sizes which could not be coherently explained. For the purposes of this decision, the Commission relies on 2001 market share data as submitted by the notifying parties. These data were confirmed by other data examined during the Commission's investigation.

¹⁶ On 24 June 2003, the notifying party submitted figures for 2002. According to these figures the parties' combined market shares would be [40-50]% in Ireland, [45-55]% in Norway and [40-50]% in Sweden.

section. The main competitors are L'Oreal and Unilever with market shares of approximately [10-20]% each in Ireland, [15-25]% for L'Oreal and [15-25]% for Unilever in Norway, and [20-30]% for L'Oreal and [5-15]% for Unilever in Sweden.

51. The parties also own the leading brands in these countries. In Sweden, Head & Shoulders (P&G) is the market leader with approximately [20-30]%, followed by Wella with approximately [5-15]%. In Norway, three brands of the parties are found among the top 4 brands, namely Herbal Essences (P&G, [10-20]%), Wella ([5-15]%) and Head & Shoulders ([5-15]%) besides Unilever's Define ([10-20]%). In Ireland, P&G owns the three leading brands (Head & Shoulders ([10-20]%), Pantene ([5-15]%) and Herbal Essences ([5-15]%). In view of these elements, the Commission concluded that the proposed concentration, absent the submitted commitments, would raise serious doubts as to the creation of a dominant position in the shampoo markets in Ireland, Norway and Sweden.

Conditioners and treatments

52. According to the notification, the parties reach combined market shares for conditioners and treatments of [40-50]% (P&G: [30-40]%; Wella: [5-15]%) in Ireland and [45-55]% (P&G: [25-35]%; Wella: [10-20]%) in Norway. In Sweden, their combined market share is only [20-30%].¹⁷ The parties' main competitors are L'Oreal with a market share of [10-20]% in Ireland and of [20-30]% in Norway, and Unilever with [5-15]% in Ireland and [5-25]% in Norway. The leading brands are mainly the same as in the shampoo markets (except Head & Shoulders). In a separate market for treatments, Wella would be slightly stronger and P&G slightly weaker than in the market for conditioners, which accounts for approximately 80% of the overall market value. However, in the absence of the commitments submitted, the proposed concentration would raise serious competition concerns in Ireland and Norway on both an overall market and on separate markets for conditioners and for treatments.

Styling products

53. According to the notification, the parties reach combined market shares of [45-55]% (P&G: [0-10]%; Wella: [35-45]%) in Ireland and [40-50]% (P&G: [10-20]%; Wella: [25-35]%) in Norway on a market comprising all styling products.¹⁸ In Sweden, the parties' combined market share will be [25-35]% thus not leading to serious doubts. L'Oreal, the main competitor accounts for [35-45]% of the market in Norway but only for [10-20]% in Ireland. On the basis of a separate segment for hairspray, the parties' combined share would be [40-50]% (P&G: [5-15]%; Wella: [30-40]%) in Ireland and [35-45]% (P&G: [10-20]%; Wella: [20-30]%) in Norway. On a segment for other

¹⁷ According to 2002 figures provided later in the procedure, the parties' combined market share amounts to [35-45]% in Ireland, [45-55]% in Norway and [25-35]% in Sweden.

¹⁸ In the course of the procedure, the notifying party submitted 2002 data, which estimates the parties' combined market shares to be [35-45]% in Ireland and [25-35]% in Norway. However, these figures cannot remove the Commission's serious doubts as these figures are the result of an alleged 46%-growth of the Irish styling products market and of an alleged decrease of P&G's market share from [10-20]% to [0-10]% (and a 14%-growth of the overall styling products market) in Norway. Moreover, the parties subsequently submitted 2002 market share data (Euromonitor) indicating combined market shares of [50-60]% in Ireland and [35-45]% in Norway.

styling aids except hairspray (gel, wax, mousse, and lotions), their combined share would be [40-50]% (P&G: [0-10]%; Wella: [30-40]%) in Ireland and [45-55]% (P&G: [5-15]%; Wella: [30-40]%) in Norway.¹⁹

54. In Ireland the parties would have three of the top five hair styling brands: Silvikrin (Wella), Shock Waves (Wella) and Pantene (P&G) competing with Elnett (L’Oreal) and Brylcreem (Sara Lee). In Norway, they would own four of the eight most successful brands: Catzy, Wella and Shock Waves (all Wella), Pantene (P&G) competing with Define (Lilleborg/Unilever), Studio Line and Elnett (both L’Oreal) and Clynol (Henkel). The combination of high market shares with these important brands would, absent the commitments submitted, raise serious doubts as to the creation of a dominant position in Ireland and Norway in both an overall market for styling products and on separate markets for hairspray and for other styling aids.

Colorants

55. According to the notification, the parties reach a combined market share of [50-60]% (P&G: [35-45]%; Wella: [10-20]%) in Ireland.²⁰ L’Oreal accounts for [30-40]% and Henkel for merely [0-10]%. With Nice ‘n Easy (P&G), Viva Colour (Wella), Loving Care (P&G), Lasting Colour (P&G) and Herbal Essences (P&G), the parties would own five of the six most successful colorant brands in Ireland, Excellence (L’Oreal) being number five with [0-10]% market share. These elements raise serious doubts as to the creation of a dominant position in the Irish hair colorants market. By contrast, there are no competition concerns with respect to the colorants markets in Norway (combined market share: [20-30]%) and Sweden (combined market share: [20-30]%).

Barriers to Entry

56. The Commission’s serious doubts are re-inforced by the existence of high barriers to entry. The notifying party estimated the cost of launching a new brand for a new entrant as EUR 10-35 million. Estimates provided in the Commission’s market investigation were considerably higher (or the equivalent of three years sales). The notifying party submitted the time taken for new entry may take 2-4 months, however, the market investigation showed that this could take as long as 3 years. The market investigation indicated that it is necessary to launch a range of products under a brand rather than a single product. The launch of new hair care brands appears therefore, to be only possible for established market players. As an example for recent entry the notifying party refers to “Define” in Norway. However, this brand was launched as the result of a close co-operation between Unilever and the large Norwegian company, Orkla. Its launch was supported by a large amount of promotion and advertisement and the constancy of its success has to be awaited during the next 2 to 3 years. The Commission considers that the length of time, cost and uncertainties relating to entry would act as a deterrent to companies not active in the hair care business.

¹⁹ The Commission observed that the figures submitted by the parties for Ireland do not add up correctly. However, this does not change the outcome of the competitive assessment.

²⁰ According to later submitted 2002 estimates, the parties’ combined market share is [50-60]% in Ireland.

Buyer power

57. The notifying party submitted that any market power would be constrained by the countervailing buyer power of retailers. Although the retail sector is highly concentrated in Norway and Sweden, these retailers have not succeeded in preventing the parties from imposing price increases on their hair care products. Retail markets in Ireland are even less concentrated. Although larger retailers may have buyer power, a significant proportion of small to medium size retailers do not. In addition, the market investigation suggested that whilst retailers may have buyer power with respect to manufacturers of private label hair care products, in the case of branded products, buyer power is constrained. This is in particular the case where manufacturers offer strong or well-performing brands that retailers must have in order to offer their customers a competitive assortment of hair care brands. In this respect, the market investigation indicated that P&G's Pantene range performs strongly in almost all Member States, Head & Shoulders shampoo and conditioners perform strongly in Norway and Sweden, whilst Wella Shockwaves performs strongly in a number of Member states including Ireland and Norway.
58. On the basis of the foregoing, the Commission has serious doubts that the operation as notified would be likely create a dominant position for the whole range of hair care products (shampoo, conditioners, treatments, styling products and colorants) in Ireland, for shampoo, conditioners, treatments and styling products in Norway, and for shampoos in Sweden.

V. COMMITMENTS SUBMITTED BY THE PARTIES

59. On 8 July 2003, pursuant to Article 6(2) of the Merger Regulation, the Parties offered certain commitments to remove the competition concerns identified by the Commission. These commitments were subsequently refined and improved. The full text of the final commitments dated 30 July 2003 is attached (Annex) and forms an integral part of this decision.

Summary of commitments

60. In order to restore effective competition in the markets for hair care products in Ireland, Norway and Sweden, P&G commits to:
- grant an exclusive licence for 5 years (followed by a 3 year black-out (non-competition) period) of the P&G hair care business (shampoos, conditioners, treatments, styling products and colorants) operated under the trade mark "**Herbal Essences**" in Ireland, Norway and Sweden;
 - grant an exclusive licence for 5 years (followed by a 3 year black-out period) of the P&G hair colorant business operated under the trade marks "**Loving Care**", "**Lasting Color**", "**Glints**", "**Borne Blonde**" and "**Highlights**" in Ireland only;
 - assign or grant an exclusive licence for 5 years (followed by a 3 year black-out period) of the Wella hair styling business operated under the trade mark "**Silvikrin**" in Ireland only;

- assign or grant an exclusive licence for 5 years (followed by a 3 year black-out period) of the Wella hair styling business operated under the trade mark “Catzy” in Norway only.

Miscellaneous

- In hair care categories where the parties are not active in the respective country at the date of this decision, P&G undertakes to grant the *right to use* these licensed trademarks in all product segments, i.e., shampoo, conditioners, treatments, styling products and colorants.

P&G undertakes to divest/license all other intellectual property rights (e.g., design rights), know-how and recipes relating to the products for which the trademarks are licensed or assigned, Key Personnel (e.g. brand managers), to enter into supply arrangements at arm’s length regarding the licensed products for a maximum period of 5 years at the acquirer’s choice, and to assign its customer base for the licensed products in Ireland, Norway and Sweden.

Assessment of the commitments

61. As confirmed by the market test, trademarks are considered of major importance in order to compete effectively in the hair care business. Third parties have furthermore indicated that it is preferable for a prospective licensee to obtain a licence *across all hair care segments* in order for a brand to constitute a viable business. In addition, a licence period of 5 years (followed by a 3 year black-out period) was generally considered necessary in order for a prospective licensee to be able to re-brand the hair care products and establish or reinforce its own trademarks in Ireland, Norway and Sweden.
62. The market test clearly demonstrated that the licensing of P&G’s “Herbal Essences” complemented by the licensing or assignment of the Wella brands “Catzy” (Norway) and “Silvikrin” (Ireland), can be detached from the other brands of the parties and thus would represent a fully viable business in Ireland, Norway and Sweden. As such, these brands will be able to compete effectively with the brands of the leading players in these hair care markets. The Commission therefore considers that the remedy package offered will restore conditions of effective competition in Ireland, Norway and Sweden on a permanent basis.
63. In Ireland, the combined market share of the parties is [40-50]% (increment Wella: [0-10]%), which is reduced by [10-20]% as a consequence of the disposal of Herbal Essences. As regards conditioners and treatments, the parties’ combined share is [40-50]% (increment Wella: [5-15]%). Because of the divestiture of Herbal Essences, this market share is reduced by [5-15]%. In styling products the combined position of the parties amounts to [45-55]% (increment P&G: [0-10]%). As a result of the disposal of Silvikrin the overlap is fully removed in the hairspray sub-segment, where the combined entity will have a market share of [40-50]% (increment P&G: [5-15]%), whereas Silvikrin accounts for a brand market share of approximately [30-40]%. In styling aids Silvikrin’s disposal would decrease the parties combined market share of [40-50]% (increment P&G: [0-10]%) by approximately [0-5]% due to the fact that this brand has only been launched in the first half of 2002. However, Silvikrin is rapidly gaining market share in styling aids and the parties estimate an increase to [0-10]% in 2003. Furthermore, the brand has a long and successful history (used in Ireland and the

UK for more than 50 years) and it can be extended to the other hair care product segments. In hair colorants the parties would have a combined market share of [50-60]% (increment Wella: [10-20]%). The disposal of the colorants “Herbal Essences”, “Loving Care” and “Lasting Color” alone would already reduce this share by approximately [15-25%] and thus be sufficient to remove the overlap.

64. In Norway, the commitments will fully remove the overlap in the shampoo segment, where the parties have a combined share of [45-55]% (increment Wella: [10-20]%). This market share will be reduced by approximately [10-20]% as a result of the disposal of “Herbal Essences”. In conditioners and treatments the parties’ combined market position amounts to [45-55]% (increment Wella: [10-20]%). The effect of the disposal of Herbal Essences would result in a decrease in market share by approximately [15-25]%. As regards hair styling products, the parties’ combined position amounts to a market share of [40-50]% (increment P&G: [10-20]%). The divestiture of Catzy would reduce the market share of the parties in the hairspray segment (combined [35-45]%, increment P&G: [10-20]%) by approximately [10-20]%. In the segment for other styling aids the parties combined share of [40-50]% (increment P&G: [5-15]%) would also be reduced by approximately [5-15]%. In addition, the parties have emphasised that Catzy has a long, successful history as well (it has been used in Norway for more than 20 years). Moreover, the commitment for Norway includes the possibility for the acquirer to extend his activities to the other hair care product segments.
65. In Sweden, the parties together have a market share of [35-45]% in shampoo (increment Wella: [5-15]%) which position is reduced by approximately [0-10]% as a result of the disposal of “Herbal Essences”. Additionally, the commitment for Sweden provides the possibility for the acquirer to extend his activities to the above-mentioned other hair care product segments.

Conclusion on the commitments

66. Against this background, the Commission considers the remedy package consisting of the licensing of the brand Herbal Essences, together with certain other assets offered by the parties, sufficient to clearly rule out serious doubts in the hair care markets in Ireland, Norway and Sweden, subject to compliance with the commitments as set out in the Annex to this Decision.
67. The commitments, set out in Section B (The Divestment Business), Section C (Related Commitments), paragraph 16 (in the Section “The Purchaser”) and paragraph 24(d) regarding any measures imposed by the trustee to ensure compliance with the commitments, constitute conditions within the terms of the Commission’s Notice on Remedies, as only by fulfilling them (subject to any change pursuant to the review clause contained in the attached commitments), the structural change on the relevant markets can be achieved.
68. The remaining commitments, as contained in the Annex, constitute obligations, as they concern the implementing steps which are necessary to achieve the structural change that is sought. In particular, this relates to the provisions regarding the “Trustee”.

VII. CONCLUSION

69. For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) and Article 6(2) of Council Regulation (EEC) No 4064/89.

For the Commission

signed
Mario MONTI
Member of the Commission

By fax and courier

Handover Personally

European Commission – Merger Task Force

DG Competition

Att.: Mr. Peter Eberl

Rue Joseph II 70 Jozef-II straat

B-1000 BRUSSELS

Fax: +32/2/29-64301

July 30, 2003

COMP/M. 3149 - Procter & Gamble / Wella

PROPOSED COMMITMENTS TO THE EUROPEAN COMMISSION

Pursuant to Article 6(2), of Council Regulation (EEC) No. 4064/89 as amended (the “*Merger Regulation*”), Procter & Gamble Germany Management GmbH (“*Procter & Gamble*”) hereby provides the following Commitments (the “*Commitments*”) in order to enable the European Commission (the “*Commission*”) to declare the acquisition of sole control of Wella AG („*Wella*“) compatible with the Common Market and the EEA Agreement by its decision pursuant to Article 6(1)(b) of the Merger Regulation (the “*Decision*”).

The Commitments shall take effect upon the date of adoption of the Decision. The proposed Commitments are fully withdrawn and void if the Commission does not issue a decision according to Art. 6(1)(b), but a decision according to Art. 6(1)(c) of the Merger Regulation.

To the extent that these Commitments, in order to be effective, require action on the part of Wella, Procter & Gamble will undertake to ensure the full co-operation and participation of Wella.

This text shall be interpreted in the light of the Decision to the extent that the Commitments are attached as conditions and obligations, in the general framework of Community law, in particular in the light of the Merger Regulation, and by reference to the Commission Notice on remedies acceptable under Council Regulation (EEC) No 4064/89 and under Commission Regulation (EC) No 447/98.

Section A. Definitions

For the purpose of the Commitments, the following terms shall have the following meaning:

Affiliated Undertakings: the ultimate parents of the Parties, undertakings controlled by the Parties and/or by the ultimate parents of the Parties, whereby the notion of control shall be interpreted pursuant to Article 3 Merger Regulation and in the light of the Commission Notice on the concept of concentration under Council Regulation (EEC) No 4064/89.

Closing: the transfer of the legal title of the Divestment Business to the Purchaser.

Divestment Business: the business or businesses as defined in Section B and the Schedule (including Annexes 1 and 2) that the Parties commit to divest.

Divestiture Trustee: one or more natural or legal person(s), independent from the Parties, who is approved by the Commission and appointed by Procter & Gamble and who has received from Procter & Gamble the exclusive Trustee Mandate to sell the Divestment Business to a Purchaser at no minimum price.

Effective Date: the date of adoption of the Decision.

First Divestiture Period: the period of [] from the Effective Date.

Hold Separate Manager: the person appointed by Procter & Gamble for the Divestment Business to manage the day-to-day business under the supervision of the Monitoring Trustee.

Key Personnel: all personnel necessary to maintain the viability and competitiveness of the Divestment Business.

Monitoring Trustee: one or more natural or legal person(s), independent from the Parties, who is approved by the Commission and appointed by Procter & Gamble, and who has the duty to monitor Procter & Gamble's compliance with the conditions and obligations attached to the Decision.

Parties: Procter & Gamble and Wella.

Personnel: all personnel currently employed by the Divestment Business, including Key Personnel, staff seconded to the Divestment Business, and shared personnel.

Purchaser: the entity approved by the Commission as acquirer/licensee of the Divestment Business in accordance with the criteria set out in Section D.

Trustee(s): the Monitoring Trustee and the Divestiture Trustee.

Trustee Divestiture Period: the period of [] from the end of the First Divestiture Period.

Divesting undertaking:

- a) Procter & Gamble Germany Management GmbH and/or Affiliated Undertakings,
incorporated under the laws of Germany,
Sulzbacher Straße 40,
D-65818 Schwalbach,
Germany

And

b) Wella AG,
incorporated under the laws of Germany,
Berliner Allee 65,
D-64274 Darmstadt,
Germany.

Section B.
The Divestment Business

Commitment to Divest

1. In order to restore effective competition Procter & Gamble commits to divest, or to procure the divestiture of the Divestment Business by the end of the Trustee Divestiture Period as a going concern to a Purchaser and on terms of sale approved by the Commission in accordance with the procedure described in Paragraph 16. The commitment to divest applies to Procter & Gamble and its Affiliated Undertakings. To carry out the divestiture, Procter & Gamble commits to find a Purchaser and to enter into a final binding agreement for the sale of the Divestment Business within the First Divestiture Period. If Procter & Gamble has not entered into such an agreement at the end of the First Divestiture Period, Procter & Gamble shall grant the Divestiture Trustee an exclusive mandate to sell off the Divestment Business in accordance with the procedure described in Paragraph 25 in the Trustee Divestiture Period.
2. Procter & Gamble shall be deemed to have complied with this commitment if, by the end of the Trustee Divestiture Period, Procter & Gamble has entered into a final binding agreement, if the Commission approves the Purchaser and the terms in accordance with the procedure described in Paragraph 16 and if the closing of the disposal of the Divestment Business takes place within a period not exceeding three months after the approval of the Purchaser and the terms of disposal by the Commission.
3. In order to maintain the structural effect of the Commitments, the Parties shall, for a period of 8 years after the Effective Date in accordance with the Licence Period and the Black-Out Period as defined in Paragraph 10, not acquire direct or indirect influence over the whole or part of the Divestment Business, unless the Commission has previously found that the structure of the market has changed to such extent that the absence of influence over the Divestment Business is no longer necessary to render the proposed concentration compatible with the common market.

Structure and Definition of the Divestment Business

4. The Divestment Business consists of

- (a) the Procter & Gamble hair care business (shampoos, conditioners, treatments, styling products and colourants) in Ireland to the extent that it is operated under the trade mark "Herbal Essences"
- (b) the Wella hair styling business in Ireland to the extent that it is operated under the trade mark "Silvikrin"
- (c) the Procter & Gamble hair colourant business in Ireland to the extent that it is operated under the trade marks "Loving Care", "Lasting Color", "Glints", "Borne Blonde" and "Highlights"
- (d) the Procter & Gamble hair care business (shampoos, conditioners, treatments, styling products, colourants) in Norway to the extent that it is operated under the trade mark "Herbal Essences"
- (e) the Wella hair styling business in Norway to the extent that it is operated under the trade mark "Catzy", and
- (f) the Procter & Gamble hair care business (shampoos, conditioners, treatments, styling products, colourants) in Sweden to the extent that it is operated under the trade mark "Herbal Essences".

In hair care categories where the Parties are not active in the respective country at the Effective Date, Paragraph 11 applies.

The Divestment Business, described in more detail in the Schedule, furthermore includes:

- (a) all intangible assets (including intellectual property rights), which contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business;

- (b) the Key Personnel; and

- (c) the benefit, for a transitional period the duration of which is determined by the Purchaser, but which is limited to a maximum period of up to five years after Closing and on terms and conditions equivalent to those at present afforded to the Divestment Business, of all current arrangements under which the Parties or Affiliated Undertakings supply products or services to the Divestment Business, as detailed in the Schedule, unless otherwise agreed with the Purchaser.

Section C.
Related Commitments

Preservation of Viability, Marketability and Competitiveness

- 5. From the Effective Date until Closing, Procter & Gamble shall preserve the economic viability, marketability and competitiveness of the Divestment Business, in accordance with good business practice, and shall minimise as far as possible any risk of loss of competitive potential of the Divestment Business. In particular Procter & Gamble undertakes:
 - (a) not to carry out any act upon its own authority that might have a significant adverse impact on the value, management or competitiveness of the Divestment Business or that might alter the nature and scope of activity, or the industrial or commercial strategy or the investment policy of the Divestment Business;
 - (b) to make available sufficient resources for the development of the Divestment Business, on the basis and continuation of the existing business plans;
 - (c) to take all reasonable steps, including appropriate incentive schemes (based on industry practice), to encourage all Key Personnel to remain with the Divestment Business.

Hold-Separate Obligations of Parties

6. Procter & Gamble commits, from the Effective Date until Closing, to keep the Divestment Business separate from the businesses it is retaining and to ensure that Key Personnel of the Divestment Business – including the Hold Separate Manager – have no involvement in any business retained and vice versa. Procter & Gamble shall also ensure that the Personnel does not report to any individual outside the Divestment Business.
7. Until Closing, Procter & Gamble shall assist the Monitoring Trustee in ensuring that the Divestment Business is managed as a distinct and disposable entity separate from the businesses retained by the Parties. Procter & Gamble shall appoint a Hold Separate Manager who shall be responsible for the management of the Divestment Business, under the supervision of the Monitoring Trustee. The Hold Separate Manager shall manage the Divestment Business independently and in the best interest of the business with a view to ensuring its continued economic viability, marketability and competitiveness and its independence from the businesses retained by the Parties.

Ring-Fencing

8. Procter & Gamble shall implement all necessary measures to ensure that it does not after the Effective Date obtain any business secrets, know-how, commercial information, or any other information of a confidential or proprietary nature relating to the Divestment Business. In particular, the participation of the Divestment Business in a central information technology network shall be severed to the extent possible, without compromising the viability of the Divestment Business. Procter & Gamble may obtain information relating to the Divestment Business which is reasonably necessary for the divestiture of the Divestment Business or whose disclosure to Procter & Gamble is required by law.

Non-Solicitation Clause

9. The Parties undertake, subject to customary limitations, not to solicit, and to procure that Affiliated Undertakings do not solicit, the Key Personnel transferred with the Divestment Business for a period of five years after Closing.

Licence Period/ Re-Branding/Black-Out Period

10. The licences are granted for a maximum period of five years within which the licensee will re-brand the product (“**Licence Period**”). Procter & Gamble undertakes for an additional period of three years (“**Black-Out Period**”) not to use the licensed trade mark in the licensed business categories in the country for which the trade mark is licensed to the licensee. Should the licensee decide to re-brand the products before the end of the five-year period, the Black-Out Period shall be extended accordingly to allow for a maximum protection period of eight years.

Scope of Licence/ Licence Territory/Assignment Territory

11. Trade marks are licensed for or assigned to all business categories which are in total (including where the Parties are currently not active) the following:
- hair shampoo business
 - hair conditioner business
 - hair treatment business
 - hair styling business
 - hair colourant business.

The Licence Territory/Assignment Territory is the country for which the licence has been granted/the trade mark has been assigned. During the Licence Period and the Black-Out Period Procter & Gamble will undertake not to use the licensed trade marks in all above mentioned categories in the Licence Territory. In the Licence Territory, Procter & Gamble will in all above mentioned business categories undertake not to actively approach individual customers (active selling) during the Licence Period and the Black-Out Period. The same applies for the Assignment Territory.

Due Diligence

12. In order to enable potential Purchasers to carry out a reasonable due diligence of the Divestment Business, Procter & Gamble shall, subject to customary confidentiality assurances and dependent on the stage of the divestiture process:
- (a) provide to potential Purchasers sufficient information as regards the Divestment Business;
 - (b) provide to potential Purchasers sufficient information relating to the Personnel and allow them reasonable access to the Personnel.

Reporting

13. Procter & Gamble shall submit written reports in English on potential Purchasers of the Divestment Business and developments in the negotiations with such potential Purchasers

to the Commission and the Monitoring Trustee no later than ten days after the end of every month following the Effective Date (or otherwise at the Commission's request).

14. The Parties shall inform the Commission and the Monitoring Trustee on the preparation of the data room documentation and the due diligence procedure and shall submit a copy of an information memorandum to the Commission and the Monitoring Trustee before sending the memorandum out to potential Purchasers.

Section D. The Purchaser

15. In order to ensure the immediate restoration of effective competition, the Purchaser, in order to be approved by the Commission, must:
 - (a) be independent of and unconnected to the Parties;
 - (b) have the financial resources, proven expertise in the hair care sector and incentive to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors;
 - (c) neither be likely to create, in the light of the information available to the Commission, *prima facie* competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed, and must, in particular, reasonably be expected to obtain all necessary approvals from the relevant regulatory authorities for the acquisition of the Divestment Business (the before-mentioned criteria for the Purchaser hereafter the "***Purchaser Requirements***").
16. The final binding agreement shall be conditional on the Commission's approval. When Procter & Gamble has reached an agreement with a Purchaser, it shall submit a fully documented and reasoned proposal, including a copy of the final agreement(s), to the Commission and the Monitoring Trustee. Procter & Gamble must be able to demonstrate to the Commission that the Purchaser meets the Purchaser Requirements and that the Divestment Business is being sold in a manner consistent with the Commitments. For the approval, the Commission shall verify that the Purchaser fulfils the Purchaser

Requirements and that the Divestment Business is being sold in a manner consistent with the Commitments. The Commission may approve the sale of the Divestment Business without one or more assets or parts of the Personnel, if this does not affect the viability and competitiveness of the Divestment Business after the licensing/assignment, taking account of the proposed Purchaser.

Section E. Trustee

I. Appointment Procedure

17. Procter & Gamble shall appoint a Monitoring Trustee to carry out the functions specified in the Commitments for a Monitoring Trustee. If Procter & Gamble has not entered into a binding agreement one month before the end of the First Divestiture Period or if the Commission has rejected a Purchaser proposed by Procter & Gamble at that time or thereafter, Procter & Gamble shall appoint a Divestiture Trustee to carry out the functions specified in the Commitments for a Divestiture Trustee. The appointment of the Divestiture Trustee shall take effect upon the commencement of the Trustee Divestment Period.
18. The Trustee shall be independent of the Parties, possess the necessary qualifications to carry out its mandate, for example as an investment bank or consultant or auditor, and shall neither have nor become exposed to a conflict of interest. The Trustee shall be remunerated by the Parties in a way that does not impede the independent and effective fulfilment of its mandate. In particular, where the remuneration package of a Divestiture Trustee includes a success premium linked to the final sale value of the Divestment Business, the fee shall also be linked to a divestiture within the Trustee Divestiture Period.

Proposal by the Parties

19. No later than one week after the Effective Date, Procter & Gamble shall submit a list of one or more persons whom Procter & Gamble proposes to appoint as the Monitoring Trustee to the Commission for approval. No later than one month before the end of the First Divestiture Period, Procter & Gamble shall submit a list of one or more persons

whom Procter & Gamble proposes to appoint as Divestiture Trustee to the Commission for approval. The proposal shall contain sufficient information for the Commission to verify that the proposed Trustee fulfils the requirements set out in Paragraph 18 and shall include:

- (a) the full terms of the proposed mandate, which shall include all provisions necessary to enable the Trustee to fulfil its duties under these Commitments;
- (b) the outline of a work plan which describes how the Trustee intends to carry out its assigned tasks;
- (c) an indication whether the proposed Trustee is to act as both Monitoring Trustee and Divestiture Trustee or whether different trustees are proposed for the two functions.

Approval or Rejection by the Commission

20. The Commission shall have the discretion to approve or reject the proposed Trustee(s) and to approve the proposed mandate subject to any modifications it deems necessary for the Trustee to fulfil its obligations. If only one name is approved, Procter & Gamble shall appoint or cause to be appointed, the individual or institution concerned as Trustee, in accordance with the mandate approved by the Commission. If more than one name is approved, Procter & Gamble shall be free to choose the Trustee to be appointed from among the names approved. The Trustee shall be appointed within one week of the Commission's approval, in accordance with the mandate approved by the Commission.

New Proposal by the Parties

21. If all the proposed Trustees are rejected, Procter & Gamble shall submit the names of at least two more individuals or institutions within one week of being informed of the rejection, in accordance with the requirements and the procedure set out in Paragraphs 17 and 20.

Trustee Nominated by the Commission

22. If all further proposed Trustees are rejected by the Commission, the Commission shall nominate a Trustee, whom Procter & Gamble shall appoint, or cause to be appointed, in accordance with a trustee mandate approved by the Commission.

II. Functions of the Trustee

23. The Trustee shall assume its specified duties in order to ensure compliance with the Commitments. The Commission may, on its own initiative or at the request of the Trustee or Procter & Gamble, give any orders or instructions to the Trustee in order to ensure compliance with the conditions and obligations attached to the Decision.

Duties and Obligations of the Monitoring Trustee

24. The Monitoring Trustee shall:
 - (a) propose in its first report to the Commission a detailed work plan describing how it intends to monitor compliance with the obligations and conditions attached to the Decision.
 - (b) oversee the on-going management of the Divestment Business with a view to ensuring its continued economic viability, marketability and competitiveness and monitor compliance by Procter & Gamble with the conditions and obligations attached to the Decision. To that end the Monitoring Trustee shall:
 - (i) monitor the preservation of the economic viability, marketability and competitiveness of the Divestment Business, and the keeping separate of the Divestment Business from the business retained by the Parties, in accordance with Paragraphs 5 and 6 of the Commitments;
 - (ii) supervise the management of the Divestment Business as a distinct and saleable entity, in accordance with Paragraph 7 of the Commitments;

- (iii) (1) in consultation with Procter & Gamble, determine all necessary measures to ensure that Procter & Gamble does not after the Effective Date obtain any business secrets, know-how, commercial information, or any other information of a confidential or proprietary nature relating to the Divestment Business, in particular strive for the severing of the Divestment Business' participation in a central information technology network to the extent possible, without compromising the viability of the Divestment Business, and (2) decide whether such information may be disclosed to Procter & Gamble as the disclosure is reasonably necessary to allow Procter & Gamble to carry out the divestiture or as the disclosure is required by law;
 - (iv) monitor the splitting of assets and the allocation of Personnel between the Divestment Business and the Parties or their Affiliated Undertakings;
- (c) assume the other functions assigned to the Monitoring Trustee under the conditions and obligations attached to the Decision;
- (d) propose to Procter & Gamble such measures as the Monitoring Trustee considers necessary to ensure Procter & Gamble's compliance with the conditions and obligations attached to the Decision, in particular the maintenance of the full economic viability, marketability or competitiveness of the Divestment Business, the holding separate of the Divestment Business and the non-disclosure of competitively sensitive information;
- (e) review and assess potential Purchasers as well as the progress of the divestiture process and verify that, dependent on the stage of the divestiture process, (i) potential Purchasers receive sufficient information relating to the Divestment Business and the Personnel in particular by reviewing, if available, the data room documentation, the information memorandum and the due diligence process, and (ii) potential Purchasers are granted reasonable access to the Personnel;
- (f) provide to the Commission, sending Procter & Gamble a non-confidential copy at the same time, a written report within 15 days after the end of every month. The report shall cover the operation and management of the Divestment Business so that the Commission can assess whether the business is held in a manner consistent with

the Commitments and the progress of the divestiture process as well as potential Purchasers. In addition to these reports, the Monitoring Trustee shall promptly report in writing to the Commission, sending Procter & Gamble a non-confidential copy at the same time, if it concludes on reasonable grounds that Procter & Gamble is failing to comply with these Commitments;

- (g) within one week after receipt of the documented proposal referred to in Paragraph 16, submit to the Commission a reasoned opinion as to the suitability and independence of the proposed Purchaser and the viability of the Divestment Business after the sale and as to whether the Divestment Business is sold in a manner consistent with the conditions and obligations attached to the Decision, in particular, if relevant, whether the sale of the Divestment Business without one or more assets or not all of the Personnel affects the viability of the Divestment Business after the sale, taking account of the proposed Purchaser.

Duties and Obligations of the Divestiture Trustee

- 25. Within the Trustee Divestiture Period, the Divestiture Trustee shall sell at no minimum price the Divestment Business to a Purchaser, provided that the Commission has approved both the Purchaser and the final agreement with the Purchaser in accordance with the procedure laid down in Paragraph 16. The Divestiture Trustee shall include in the final agreement such terms and conditions as it considers appropriate for an expedient sale in the Trustee Divestiture Period. In particular, the Divestiture Trustee may include in the agreement such customary representations and warranties and indemnities as are reasonably required to effect the divestiture. The Divestiture Trustee shall protect the legitimate financial interests of Procter & Gamble, subject to the Parties' unconditional obligation to divest at no minimum price in the Trustee Divestiture Period.
- 26. In the Trustee Divestiture Period (or otherwise at the Commission's request), the Divestiture Trustee shall provide the Commission with a comprehensive monthly report written in English on the progress of the divestiture process. Such reports shall be submitted within 15 days after the end of every month with a simultaneous copy to the Monitoring Trustee and a non-confidential copy to the Parties.

III. Duties and Obligations of the Parties

27. Procter & Gamble shall provide and shall cause its advisors to provide the Trustee with all such co-operation, assistance and information as the Trustee may reasonably require to perform its tasks. The Trustee shall have full and complete access to any of Procter & Gamble's or the Divestment Business' books, records, documents, management or other personnel, facilities, sites and technical information necessary for fulfilling its duties under the Commitments and Procter & Gamble and the Divestment Business shall provide the Trustee upon request with copies of any document. Procter & Gamble and the Divestment Business shall make available to the Trustee one or more offices on their premises and shall be available for meetings in order to provide the Trustee with all information necessary for the performance of its tasks.
28. Procter & Gamble shall provide the Monitoring Trustee with all managerial and administrative support that it may reasonably request on behalf of the management of the Divestment Business. This shall include all administrative support functions relating to the Divestment Business which are currently carried out at headquarters level. Procter & Gamble shall provide and shall cause its advisors to provide the Monitoring Trustee, on request, with the information submitted to potential Purchasers, in particular give the Monitoring Trustee access to the data room documentation and all other information granted to potential Purchasers in the due diligence procedure. Procter & Gamble shall inform the Monitoring Trustee on possible Purchasers, submit a list of potential Purchasers, and keep the Monitoring Trustee informed of all developments in the divestiture process.
29. Procter & Gamble shall grant or procure Affiliated Undertakings to grant comprehensive powers of attorney, duly executed, to the Divestiture Trustee to effect the sale, the Closing and all actions and declarations which the Divestiture Trustee considers necessary or appropriate to achieve the sale and the Closing, including the appointment of advisors to assist with the sale process. Upon request of the Divestiture Trustee, Procter & Gamble shall cause the documents required for effecting the sale and the Closing to be duly executed.

30. Procter & Gamble shall indemnify the Trustee and its employees and agents (each an “*Indemnified Party*”) and hold each Indemnified Party harmless against, and hereby agrees that an Indemnified Party shall have no liability to Procter & Gamble for any liabilities arising out of the performance of the Trustee’s duties under the Commitments, except to the extent that such liabilities result from the wilful default, recklessness, gross negligence or bad faith of the Trustee, its employees, agents or advisors.
31. At the expense of Procter & Gamble, the Trustee may appoint advisors (in particular for corporate finance or legal advice), subject to Procter & Gamble’s approval (this approval not to be unreasonably withheld or delayed) if the Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Trustee are reasonable. Should Procter & Gamble refuse to approve the advisors proposed by the Trustee the Commission may approve the appointment of such advisors instead, after having heard Procter & Gamble. Only the Trustee shall be entitled to issue instructions to the advisors. Paragraph 28 shall apply *mutatis mutandis*. In the Trustee Divestiture Period, the Divestiture Trustee may use advisors who served Procter & Gamble during the First Divestiture Period if the Divestiture Trustee considers this in the best interest of an expedient sale.

IV. Replacement, Discharge and Reappointment of the Trustee

32. If the Trustee ceases to perform its functions under the Commitments or for any other good cause, including the exposure of the Trustee to a conflict of interest:
 - (a) the Commission may, after hearing the Trustee, require Procter & Gamble to replace the Trustee; or
 - (b) Procter & Gamble, with the prior approval of the Commission, may replace the Trustee.
33. If the Trustee is removed according to Paragraph 32, the Trustee may be required to continue in its function until a new Trustee is in place to whom the Trustee has effected a

full hand over of all relevant information. The new Trustee shall be appointed in accordance with the procedure referred to in Paragraphs 17-22.

34. Besides the removal according to Paragraph 32, the Trustee shall cease to act as Trustee only after the Commission has discharged it from its duties after all the Commitments with which the Trustee has been entrusted have been implemented. However, the Commission may at any time require the re-appointment of the Monitoring Trustee if it subsequently appears that the relevant remedies might not have been fully and properly implemented.

Section F.
The Review Clause

35. The Commission may, where appropriate, in response to a request from Procter & Gamble showing good cause and accompanied by a report from the Monitoring Trustee:
- (a) grant an extension of the time periods foreseen in the Commitments, or
 - (b) waive, modify or substitute, in exceptional circumstances, one or more of the undertakings in these Commitments.

Where Procter & Gamble seeks an extension of a time period, it shall submit a request to the Commission no later than one month before the expiry of that period, showing good cause. Only in exceptional circumstances shall Procter & Gamble be entitled to request an extension within the last month of any period.

Procter & Gamble Germany Management GmbH

Dieter B. Judith

Otmar W. Debald

SCHEDULE

1. Following Paragraph 4 of these Commitments, the Divestment Business encompasses:

(a) the following main intangible assets:

(i) trade marks:

- (1) the exclusive licence for the trade mark “Herbal Essences” for use in hair care for use solely in Ireland for the Licence Period;
- (2) for the Licence Period the exclusive licence for or, alternatively, the assignment of the trade mark “Silvikrin” for use in hair care for use solely in Ireland;
- (3) the exclusive licence for the trade marks “Loving Care”, “Lasting Color” “Glints”, “Borne Blonde” and “Highlights” for use in hair care (each) for use solely in Ireland for the Licence Period;
- (4) the exclusive licence for the trade mark “Herbal Essences” for use in hair care for use solely in Norway for the Licence Period;
- (5) for the Licence Period the exclusive licence for or, alternatively, the assignment of the trade mark “Catzy” for use in hair care for use solely in Norway;
- (6) the exclusive licence for the trade mark “Herbal Essences” for use in hair care for use solely in Sweden for the Licence Period;

For further details about these trade marks we refer to **Annex 1** for illustration purposes.

(ii) all other intellectual property rights (especially design rights) relating to the packaging of the products for which the trade marks are licensed/assigned;

For further details about the packaging we refer to **Annex 2** for illustration purposes.

- (iii) all know-how relating to the products for which the trade marks are licensed/assigned;
 - (iv) all recipes necessary for the production of the products for which the trade marks are licensed/assigned;
- (b) the Key Personnel such as brand manager and/or product manager and/or sales persons pertaining to the Divestment Business;
 - (c) the arrangements for the supply with the licensed/assigned products by the Parties for a period determined by the Purchaser, but limited to a maximum period of five years
 - (d) the customer base for the licensed/assigned products in Ireland, Norway and Sweden (= all customers that at the Effective Date have listed the licensed/assigned products in the Licence Territory/Assignment Territory).
2. The Divestment Business shall not include:
- (a) - in the case of a licence - the assignment of trade marks, since the Purchaser shall re-brand the products concerned;
 - (b) any right of the Purchaser of the trade marks to use the trade marks in other countries than those which are specified in the respective licence agreements/assignment agreement;
 - (c) any right of the Purchaser of the trade marks to use the trade marks in other categories than those which are specified in the respective licence agreements/assignment agreement;
 - (d) the “Wella” logo which is characterised by the spelling of “Wella” in capital letters with a woman’s head looking to the left above the letter “W” and her hair wave covering the letters “ELLA”;

- (e) the umbrella brand “Clairol” as a single word trade mark or in combination with any other word(s);
- (f) the right to attack any European Community trade mark of the Parties or any of their Affiliated Undertakings based on the licensed/assigned trade mark(s).
- (g) access to any new development as to know-how, recipes, packaging or design which the Parties or any of their Affiliated Undertakings applies to the licensed/assigned products in countries outside the Licence Territory/Assignment Territory after a the re-branding or after a maximum period of three years.

Annex 1

ACTIVE TRADEMARKS SWEDEN

Country	Origin	Trademark	Classes	Appl'n No.	Appl'n Date	Reg'n No	Reg'n Date	Next Renewal
Sweden		CLAIROL HERBAL ESSENCES	3	97-00062	02-janv-97	329893	29-janv-99	29-janv-09
Sweden	CTM	HAWAFENA	3	3054161	14-févr-03			
Sweden	CTM	HERBAL ESSENCES HAWAFENA	1, 3	3052842	14-févr-03			
Sweden	CTM	HERBAL ESSENCES RAINFOREST FLOWERS	3	3183308	27-mai-03			

Proprietor	Country	Trademark	Class	Appl.-No.	Reg.-No	Status	Goods	Appl.-Date	Reg.-Date
Ireland									
Wella Aktiengesellschaft	Ireland	SILVIKRIN	3		56 778	REG	Class 3: Perfumery, toilet preparations (not medicated), cosmetic preparations, dentifrices, depilatory preparations, toilet articles (not included in other classes), sachets for use in waving the hair, soaps and essential oils.	30.04.1954	20.12.1954
Wella Aktiengesellschaft	Ireland	SILVIKRIN FINALLY FREE	3		73 676	REG	Class 3: Perfumes; non-medicated toilet preparations; cosmetic preparations; dentifrices; depilatory preparations; toilet articles included in Class 3; sachets for use in waving the hair; shampoos; soaps and essential oils.	27.06.1968	24.02.1970
Wella Aktiengesellschaft	Ireland	SILVIKRIN HEADLINES	3		B 117 877	REG	Class 3: Preparations for the care of the hair and scalp; shampoos.	23.03.1984	06.05.1987
Wella Aktiengesellschaft	Ireland	SILVIKRIN HEADLINES CZ	3		117 878	REG	Class 3: Preparations for the care of the hair and scalp; shampoos.	23.03.1984	06.05.1987

ACTIVE TRADEMARKS NORWAY

Trademark	Classes	Appl'n No	Appl'n Date	Reg'n No	Reg'n Date	Next Renewal Due
CLAIROL HERBAL ESSENCES	3	968394	30-déc-96	188195	29-janv-98	29-janv-08
FRUIT FUSIONS	3	200208747	19-sept-02			
HERBAL ESSENCES FRUIT FUSIONS	3	200113068	05-nov-01			
HERBAL ESSENCES NATURAL VOLUME	3	200008569	25-juil-00			

Proprietor	Country	Trademark	Class	Appl.-No.	Reg.-No	Status	Goods	Appl.-Date	Reg.-Date
Norway									
Wella Aktiengesellschaft	Norway	CATZY	3		52 969	REG	Class 3: SOAPS, CLEANING PRODUCTS, MAKE UP, PERFUMERY, SHAMPOOS, HAIR LOTIONS AND OTHER TOILET ARTCLES		04.02.1959
Wella Aktiengesellschaft	Norway	CATZY CZ	3	820 544	119 095	REG	Class 3: all goods in class 3	18.02.1982	08.11.1984
Wella Aktiengesellschaft	Norway	CATZY ON	3	875 255	139 322	REG	Class 3: all goods in class 3.	14.12.1987	16.11.1989
Wella Aktiengesellschaft	Norway	CATZYVITAL	3	860 589	129 553	REG	Class 3: all goods in class 3.	11.02.1986	23.07.1987

ACTIVE TRADEMARKS IRELAND

Trademark	Classes	Appl'n No	Appl'n Date	Reg'n No	Reg'n Date	Renewal Due
CLAIROL BORN BLONDE	3	927/68	25-juin-68	73958	25-juin-68	24-juin-13
CLAIROL GLINTS	3	1029/82	14-avr-82	106181	14-avr-82	13-avr-13
CLAIROL HERBAL ESSENCES	3		18-janv-99	211704	18-janv-99	17-janv-09
CLAIROL LOVING CARE	3	1980/66	29-déc-66	71872	29-déc-66	28-déc-11
HAWAFENA	3	3054161	14-févr-03			
HERBAL ESSENCES	3	2000/03912	26-oct-00	224653	26-oct-00	25-oct-10
HERBAL ESSENCES (& Shampoo Bottle 96/3 bw)	3	96/4032	24-juin-96	174049	24-juin-96	23-juin-13
HERBAL ESSENCES HAWAFENA	1, 3	3052842	14-févr-03			
HERBAL ESSENCES RAINFOREST FLOWERS	3	3183308	27-mai-03			

Annex 2

Accessible on request