

EN

Case No COMP/M.6573 - FORFARMERS/ AGRICOLA

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004
MERGER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 04/07/2012

***In electronic form on the EUR-Lex website under
document number 32012M6573***



Brussels, 04.7.2012

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 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 Where possible the information omitted has been replaced by ranges of figures or a general description.

C(2012) 4742 final

PUBLIC VERSION

MERGER PROCEDURE

To the notifying party:

**Subject: Case No COMP/M.6573 - FORFARMERS/ AGRICOLA
Commission decision pursuant to Article 6(1)(b) of Council Regulation
No 139/2004¹**

1. On 31 May 2012, the European Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 by which the undertaking ForFarmers UK Ltd. ("ForFarmers UK", The United Kingdom), controlled by ForFarmers Group B.V. ("ForFarmers", The Netherlands), acquires within the meaning of Article 3(1)(b) of the Merger Regulation control of the whole of the undertaking Agricola Group Ltd. ("Agricola", United Kingdom), operating under the trade name BOCM Pauls, by way of purchase of shares.² ForFarmers and Agricola/BOCMPauls will be referred to in the following as the "Parties" and ForFarmers will be referred to as the "Notifying Party."

(1) THE PARTIES

2. ForFarmers is a producer and supplier of animal feed and other agricultural commodities (fertilisers, crop protection agents and seed and planting material), acting under different brand names. It also supplies raw materials to the feed, food and fuel industry through its [...] subsidiary Cefetra. ForFarmers also produces and sells broiler breeders (i.e. chickens for the poultry industry). Moreover, ForFarmers offers technical and legal agricultural consultancy services. Geographically, ForFarmers' activities are mainly focussed on the Benelux countries, Northern France and Germany although it also has some activities in other countries. In addition, ForFarmers holds a 50% stake in HaBeMa (Germany), a manufacturer of compound feed and storage and handling company of agricultural raw materials for the feed, food and fuel industry.

¹ OJ L 24, 29.1.2004, p. 1. With effect from 1 December 2009, the Treaty on the Functioning of the European Union ("TFEU") has introduced certain changes, such as the replacement of "Community" by "Union" and "common market" by "internal market". The terminology of the TFEU will be used throughout this decision.

² Publication in the Official Journal of the European Union No C 162, 8.6.2012, p. 15.

3. Agricola is the holding company of the BOCM Pauls Group ("BOCM Pauls", United Kingdom) which produces and sells compound and blended animal feed for all types of livestock, including dry raw materials, moisture-rich single feed and premixes under a number of brand names. Agricola's activities are largely focussed on Great Britain (i.e. the United Kingdom excluding Northern Ireland). Its production facilities are all located in the United Kingdom and 97% of its turnover is generated in that country.

(2) THE OPERATION

4. Under the proposed transaction, ForFarmers will acquire all the voting shares in Agricola, which are currently owned by its management and employees and the private equity fund manager Electra Partners.

(3) CONCENTRATION

5. As a result of the proposed transaction, ForFarmers will acquire sole control of Agricola. The notified transaction therefore constitutes a concentration within the meaning of Article 3 (1) (b) of the Merger Regulation.

(4) EU DIMENSION

6. The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million [ForFarmers: EUR 5 842.6 million; Agricola: EUR 575.2 million]. Each of them has an EU-wide turnover in excess of EUR 250 million [ForFarmers: EUR 5 270.3 million; Agricola: EUR 574.1 million]. Although Agricola achieves more than two-thirds of its EU-wide turnover within one and the same Member State (the United Kingdom), ForFarmers does not. The notified operation therefore has an EU dimension pursuant to Article 1(2) of the Merger Regulation.

(5) COMPETITIVE ASSESSMENT

7. The proposed transaction gives rise to limited horizontal overlaps between the Parties' activities in the supply of: (i) single feed³; and (ii) compound feed⁴ at EU level, in the United Kingdom, the Netherlands, Belgium and Germany.
8. If a further segmentation of the single feed and compound feed categories is considered, horizontal overlaps mainly arise in the supply of (i) the supply of oil bearing seeds (a type of raw material for compound feed) (ii) the supply of proteins seeds (a type of raw material for compound feed) (iii) compound feed for cattle; (iv) compound feed for

³ Single animal feeds (sometimes also referred to as "straight feeds" or "straights") are animal feed products which are made up of only one basic feed ingredient. The overall market for the supply of single feeds includes for example scraps of soya, rape or sugar beet, fish meal or grain. The market for compound feed includes complete feed, concentrates, starter nutrition and milk replacers.

⁴ Compound feed is made by mixing and granulating different ingredients to obtain a product which fully covers the nutritional needs of the target animal.

poultry, (v) compound feed for pigs, (vi) starter nutrition (a type of compound feed),⁵ and (vii) complete feed (a type of compound feed)⁶.

9. Vertical relationships also arise between the Parties in the supply of (i) raw materials and compound feed, (ii) premixes⁷ and compound feed and (iii) compound feed and broiler breeders.⁸

Relevant Market Definition

10. The Commission has previously considered that there are at least separate markets for the supply of: (i) single; and (ii) compound feed.⁹ This question has also been considered by the United Kingdom competition authority, the Office of Fair Trading (the "OFT"), but was ultimately left open.¹⁰
11. The Notifying Party submits that it is necessary to differentiate between (i) farm made¹¹ single feed;¹² (ii) roughage and moisture-rich single feed; and (iii) compound and blended feed.¹³

(i) Single feed

12. Both Parties are active in the supply of raw materials to compound feed manufacturers. The Notifying Party submits that the segment of raw materials for compound feed encompasses all raw materials, be they plant-based, animal-based or chemicals, used by compound feed manufacturers and sourced by them from specialised wholesalers.

⁵ Starter nutrition is compound feed designed for young livestock which require a specific solid starter diet. Its feed components are designed to meet the nutritional needs related to growth, and it is granulated in finer pellets or crumbs, in order to make for easier chewing and digestion. In practice, the term "starter nutrition" is used exclusively for piglet feed.

⁶ Complete feed is compound feed designed, mixed and granulated for midsize and adult livestock

⁷ Premixes are concentrated mixtures of vitamins, carotenoids, amino acids, organic acids, feed phosphates, enzymes and minerals. Some farmers, who have the equipment to mix different feed ingredients on their farms, and some compound feed manufacturers use these to add specific nutritional values to compound feed. If a premix also contains minerals, it is called a base mix.

⁸ This market is affected because there is a vertical link between broiler breeders and the upstream supply of compound feed. Under the hypothesis of a national market for the Netherlands ForFarmers' market share downstream in broiler breeders is approximately [30%-40%] and BOCM Pauls is active as a seller of compound feed. However, BOCM Pauls only sells packaged starter nutrition for piglets in the Netherlands, a feed type which is not suitable for broiler breeders. As such, no foreclosure concerns arise from the proposed transaction in relation to this vertical relationship.

⁹ COMP/M.1362 – *BAY WA/RWA*, COMP/M.6468 - *Forfarmers / Hendrix*.

¹⁰ OFT, case ME/4057/09 - *AB Agri/JE Porter*, paras. 34-35; OFT, case ME/5095/11 - *AB Agri/Uffculme Feed Mill*, paras. 23-24.

¹¹ Produced on the farm i.e. fresh grass, home-grown hay, home-grown straw and silage. The Notifying Party argues that these are almost identical substitutes to the same products produced by third parties and which are included in the "roughage" segment of single feed.

¹² E.g fresh grass, home-grown hay, home-grown straw and silage.

¹³ Page 27 of Form CO.

13. In line with previous Commission decisions¹⁴, the Notifying Party considers that the raw materials used for compound feed consist of (i) grains, (ii) oil-bearing seeds, (iii) gluten, (iv) animal meal, (v) fishmeal and (vi) citrus pulp.
14. According to the Notifying Party, the market for single feed includes: (i) the supply of raw materials to compound feed manufacturers; and (ii) the supply of roughage and moisture-rich single feed to farmers¹⁵. However, the Notifying Party regards it as unnecessary to distinguish different levels of trade in single feed as both Parties are only active in the sale of such feed to farmers (roughage and moisture rich feed) or compound feed manufacturers (raw materials).
15. In a previous case, the Commission considered a further distinction of the single feed market between the supply of non-grain feed ingredients (e.g. oilseed meals, fish meal and by-products of the starch and ethanol industry) and feed grains¹⁶ but did not rule out the possibility of an overall wholesale market for single feed¹⁷.
16. The Notifying Party argues that the geographic scope of the market for raw materials for compound feed is worldwide because these materials are traded in open cash markets and ForFarmer's subsidiary Cefetra competes with companies active on a worldwide basis.
17. The Commission and the Dutch competition authority ("NMa") have considered in previous decisions that there are indications that competition takes place at a European level,¹⁸ although the exact geographic market definition was left open.
18. The market investigation in this case did not reveal any reasons to deviate from previous positions on product and geographic market. In any event, the precise market definition can be left open as no serious doubts arise even under the narrowest market definition as a result of the proposed transaction.

(ii) Compound feed and blended feed

19. Both Forfarmers and BOCM Pauls are active in the market for the production and sale of compound feed. BOCM Pauls but not ForFarmers also produces blended feed. ForFarmers is mainly active in the Benelux countries, Northern France and Northern Germany, while BOCM Pauls is primarily active in the United Kingdom.
20. The production of compound animal feed involves the mixing and compounding of various ingredients. In general, animal feed is made up of two main ingredients:

¹⁴ Case COMP M. 5410- *Forfarmers/ Cefetra*,. COMP/M.6468 - *Forfarmers / Hendrix*

¹⁵ However this market will not be further discussed in this decision as there is no horizontal overlap in the area of roughage and moisture-rich single feed: ForFarmers is not active on this market in the United Kingdom, while BOCM Pauls is not active on this market outside the United Kingdom. Likewise, there are no vertical overlaps since these products are not an input for compound feed.

¹⁶ COMP/M.1362 - *BAY WA/RWA*.

¹⁷ *Ibid.*

¹⁸ COMP/M.5410 - *ForFarmers/Cefetra*, COMP/M.6468 - *Forfarmers / Hendrix*, NMa Case 5612 - *Ceralco/Schouten Products*, and NMa Case 6781 - *Agrifirm/Cehave*,

agricultural raw material (mainly grains) which comprise on average over 98 % of total feed volume; and premix (i.e., feed additives).¹⁹

21. In line with previous Commission decisions²⁰, the Notifying Party considers that the market for compound feed should encompass all animal feed products (with the exception of fish feed and pet food) without a further distinction between feed for different types of animal.
22. In previous decisions, the Commission, the OFT and the NMa have considered a possible sub-segmentation of this market into feed for cattle, pigs and poultry.²¹ The OFT has also considered a segmentation between (i) monogastric animals and (ii) ruminants.²² In *ForFarmers/Hendrix* case the Commission found it likely that such a further delineation by animal type is not appropriate, but ultimately left the question open.²³ In addition, although ultimately left open, in *ForFarmers/Hendrix*, the Commission has also considered a possible sub-segmentation of this market into concentrates²⁴, starter nutrition, milk replacers²⁵ and complete feed.
23. The Notifying Party rejects any sub-segmentation and suggests including so called blended feed in the same market as compound feed. Both blended and compound feed are derived by mixing the same raw materials. But while compound feed is processed to render a pelleted, uniform end product, blended feed is a simple mix of raw materials. The Notifying Party nevertheless submits that both form a single market since compound and blended feed serve the same purpose, i.e. to fulfil all dietary requirements of the target animals, and there are no switching costs for farmers between these feed types.
24. The market investigation in the present case suggested that indeed blended feed and compound feed are generally interchangeable since they fulfil the same nutritional requirements and farmers would in most cases be able to switch between the two at no great cost.²⁶ Regarding a differentiation by animal type, a majority of market

¹⁹ COMP/M.2956 - *CVC/PAI Europe/Provimi*, paragraph 9. In addition, it should be noted that ForFarmers is not active in the area of animal feed mixes (base mixes or premixes).

²⁰ COMP/M. 2271 *Cargill/Agribands*, paragraph 8; Comp/M.5558 – *Nutreco/Cargill*; paragraph 7.

²¹ COMP/M.6468 - *Forfarmers / Hendrix*, COMP/M.5410 - *ForFarmers/Cefetra*, paragraph 23, NMa Case 1603 - *Cehave/Cooperatie Landbouwbelaang*, paragraph 9, NMa Case 2526 - *ACM/Cava Latuco*, paragraph 10; NMa Case 6781 - *Agrifirm/Cehave*, paragraph 30; OFT Case ME/5095/11 - *AB Agri/Uffculme Feed Mill*, paragraphs 27, 33; OFT Case ME/3637/08 - *John Thompson/AB Agri Northern Ireland*, paragraph 24.

²² OFT Case ME/4057/09 - *AB Agri/JE Porter*, paragraphs 25, 30; OFT Case ME/5095/11 - *AB Agri/Uffculme Feed Mill*, paragraphs 27, 33.

²³ COMP/M.6468 - *ForFarmers/Hendrix*, paragraph 29.

²⁴ Concentrates are specific mixes of concentrated nutrients which can be used by a livestock farmer to supplement single feed rations made up of a specific type of grain or roughage and moisture-rich single feed.

²⁵ Milk replacers are powders which can be mixed with water to be used as feed for young ruminants which would naturally start out on a milk diet. In practice, they are mainly used for cattle (calves) and, in lesser numbers, for other ruminants, i.e. goats and sheep (lambs) and horses (foals).

²⁶ However, one market participant also pointed out that blended feed are sometimes seen as inferior to compound while another submitted that not all farmers have equipment required to facilitate switching.

participants agreed that feeds for all types of animals are more or less made from the same raw materials²⁷ and rely to a certain extent on the same basic equipment.²⁸ Other market participants, however, pointed out that certain raw materials are only suitable for certain animals and that the use of the same equipment for different types of feed is limited by legal provisions aimed at the avoidance of cross-contamination.²⁹ Moreover, customers and competitors in compound feed both explained that compound feed for different types of animals differs in its nutritional composition and value.³⁰ Hence, while there are some indications in favour of supply-side substitutability, there appears to be differentiation between different types of compound feed from the customer's perspective. The replies to the market investigation were not conclusive whether a possible sub-segmentation of compound feed into concentrates, starter nutrition, milk replacers and complete feed would be relevant.³¹

25. In relation to geographic scope of the market definition, the Notifying Party submits that the market is at least macro-regional in scope, for ForFarmers covering the Benelux, certain parts of Northern France and the Northern half of Germany and for BOCM Pauls the whole of the United Kingdom. In previous decisions³², the Commission has considered the market to be at most national in scope because of the radius (50-150 km) of the sales of compound animal feed from the feed plants and the players' activities and marketing strategies on a national basis.³³ The market investigation in this case did not reveal any reasons to deviate from the Commission's previous position on the scope of the geographic market.

26. In any event, the precise market definition can be left open as no serious doubts arise even under the narrowest market definition as a result of the proposed transaction.

(iii) Premixes

27. Only BOCM Pauls sells premixes for animal feed but since both Parties produce compound feed using premixes the proposed transaction gives rise to a vertical link.

28. The Notifying Party argues that premixes constitute a separate product market arguing they cannot be substituted by unmixed additives because the pre-mixer takes over the functions of formulating the premix and mixing the different additives into a single product. It also argues that premixes cannot be substituted with base-mixes since

Replies to question 7 of the Commission's questionnaire to customers in compound feed and replies to question 7 of the Commission's questionnaire to competitors in compound feed.

²⁷ Replies to question 10.2.1 of the Commission's questionnaire to competitors in compound feed.

²⁸ Replies to questions 10.3 and 11 of the Commission's questionnaire to competitors in compound feed.

²⁹ Ibid.

³⁰ Replies to question 11 of the Commission's questionnaire to competitors in compound feed and replies to question 10.3 of the Commission's questionnaire to customers in compound feed.

³¹ Replies to question 12 of the Commission's questionnaire to competitors in compound feed and question 11 of the Commission's questionnaire to customers in compound feed.

³² COMP/M.6468 - *Forfarmers / Hendrix*, COMP/M.1362 *BAY WA AG/RWA*; COMP/M.6468 *ForFarmers/Hendrix*, paragraph 33.

³³ The OFT has previously (OFT Case ME/4057/09 - *AB Agri/JE Porter*, paragraphs 39-50) considered that chains of substitution around feed mills could lead to overlapping catchment areas widening a geographic market beyond a 100 mile radius, though ultimately left the definition open.

contrary to base-mixes, they do not contain minerals.³⁴ The Commission in previous decisions while ultimately leaving open the precise market definition, found a certain degree of supply and demand side substitutability between premixes and base-mixes³⁵

29. The Notifying Party submits that the geographic market for premixes is possibly worldwide and at least EEA-wide, due to low transport costs, the absence of tariff barriers and the relative homogeneity of the products. In previous cases the Commission considered that the market could be national in scope though ultimately left the definition open.³⁶
30. The market investigation in this case did not reveal any reasons to deviate from the Commission's previous position on the scope of the geographic market. In any event the exact scope can be left open since no serious doubts arise on any reasonable market definition, as a result of the proposed transaction.

II. Competitive assessment

Horizontal relationships

(i) Single feed

31. The Parties' combined market share on the general single feed market is [10%-20%] at EU level, with a BOCM Pauls increment of [0%-5%] ([...] kT). For the EEA this is likely to be slightly lower. At national level, there is only an overlap in the United Kingdom, with a [5%-10%] market share and a BOCM Pauls' increment of [0%-5%] ([...] kT). As such the proposed transaction does not give rise to any affected markets in relation to single feed³⁷.

(ii) Raw material for compound feed

32. In terms of raw material for compound feed there is a horizontally affected market at EU level, where the Parties would have a combined market share of [10%-20%] (with an increment of [0%-5%] ([...] kT)). On an EEA level, this is likely to be slightly lower.
33. When looking at sub-segments by type of raw material at EU level, the proposed transaction gives rise to affected markets in relation to the supply of oil-bearing seeds [combined market share [20%-30%], BOCM Pauls' increment [0%-5%] and proteins [20%-30%], BOCM Pauls increment [0%-5%].
34. At national level, there is only an overlap in the United Kingdom, with a [5%-10%] market share and a BOCM Pauls' increment of [0%-5%] ([...] kT) on the overall market of raw material for compound feed. In terms of sub-segments in the United Kingdom,

³⁴ COMP/M.3177 - *BASF/Glon-Sanders/JV*, paragraph 8.

³⁵ See cases COMP/M.5558 – *Nutreco/Cargill*; COMP/M.4617 – *Nutreco/ BASF*, COMP/M.3177 – *BASF/Glon-Sanders/JV* and COMP/M.2956 – *CVC/PAI Europe/Provimi*.

³⁶ COMP/M.6383 - *Cargill/KoroFrance*, paragraph 15.

³⁷ An affected market should be understood in the sense of Section 6.3 of Annex 1 to Commission Regulation (EC) No 802/2004 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings.

the only affected market is in relation to oil-bearing seeds [combined market share of [10%-20%] with a BOCM Pauls increment of [0%-5%].

35. The very low increments in the various sub-segments indicate that competition concerns are unlikely to arise post-merger. Replies to the Commission's requests for information in the present case have confirmed that the proposed transaction does not give rise to any serious doubts in relation to the supply of raw materials for compound feed.

(iii) Compound feed and blended feed

36. The Parties' combined market shares do not give rise to affected markets at EU level or the macro-regional level of the Benelux, Northern France and the Northern half of Germany.
37. On the basis of national markets, the Parties' combined market shares in the overall market for compound feed only give rise to an affected market in the Netherlands [20%-30%] but the increment from BOCM Pauls [0.0% ([...] kT)] is *de minimis*.
38. An affected market arises in the United Kingdom with a share of [10%-20%] if compound feed is considered separately from blended feed. Blended feed itself would not then constitute an affected market as ForFarmers does not sell blended feed. Under the type of product segmentation in the United Kingdom, the only overlap is on the complete feed segment, with a combined market share of [10%-20%] with an increment from ForFarmers of 0.0% ([...] kT).
39. In the Netherlands, if a segmentation by species is considered, the only overlap is on the pig feed segment with a combined market share of [20%-30%] and a BOCM Pauls' increment of 0.0% ([...] kT). Under a segmentation by product type, only the concentrates segment would constitute an affected market, with a combined market share of [20%-30%] and a BOCM Pauls' increment of 0.0% ([...] kT).
40. The Parties do not overlap in the supply of ruminant animal feed in any Member State. In the case of feed for monogastric animals, although the merged entity would have a share of [10%-20%] in the United Kingdom and [10%-20%] in the Netherlands, the increments are negligible (under [0%-5%] in each case³⁸).
41. Furthermore, a majority of respondents to the Commission's requests for information in the present case (and all customers) confirmed that they do not expect any anti-competitive effects for the compound feed market as a result of the proposed transaction. Customers notably mentioned the presence of a number alternative suppliers, the existence of excess capacity for compound feed (especially in the United Kingdom), and the possibilities open to them to switch suppliers.
42. Therefore the proposed transaction does not give rise to serious doubts in relation to the supply of compound feed.

Vertical relationships

(i) Raw material (upstream) and compound feed (downstream)

³⁸ At macro-regional level the merged entity would have a share in monogastric animal feed of [5%-10%] also with an increment of less than [0%-5%] .

43. At EU level, ForFarmers' market share as a supplier of raw material is [10%-20%] . The only sub-segment with a market share above [20%-30%] is oil-bearing seeds, with a market share of [20%-30%]. BOCM Pauls' market shares as a supplier of raw materials are at EU level [0%-5%] with the highest market share on a sub-segment being citrus pulp, with a market share of [0%-5%].
44. ForFarmers' market shares on the total compound feed market for the EU, the macro-region proposed by the Notifying Party (i.e. Benelux, Northern France and Northern Germany) as well as the individual Member States making up the Benelux region are well below [20%-30%]³⁹. Under the type of animal segmentation, ForFarmers' only has a market share above [20%-30%], in the Netherlands, [20%-30%], for cattle. It also has a share of [20%-30%] in the Netherlands in ruminant feed. Under the type of product segmentation, ForFarmers has a [30%-40%] market share for concentrates in Belgium.
45. BOCM Pauls' market shares on the total compound feed markets for the EU and the United Kingdom are well below [20%-30%]⁴⁰. Under the type of animal segmentation, BOCM Paul's only market shares above [20%-30%] are in the United Kingdom, [[30%-40%]for pigs]⁴¹. BOCM Pauls' market share in the cattle segment is [10%-20%]. Under the type of product segmentation, BOCM Pauls' highest market share is in the United Kingdom, namely [20%-30%], for starter nutrition. Its highest market share in ruminant or monogastric animal feed is [10%-20%] in ruminant animal feed in the United Kingdom.
46. According to the Notifying Party, input foreclosure is not conceivable, since other compound feed manufacturers would still have access to a large part of the total share of supply. ForFarmers' [20%-30%] market share on the EU oil-bearing seeds segments is only just above the [20%-30%] threshold for identification as an affected market, with a [0%-5%] BOCM Pauls' increment. In addition there are a number of competitors in the supply of raw materials including ADM, Cargill, Glencore, Bunge and Louis Dreyfus Commodities who could restrain the merged entity.
47. Customer foreclosure can also be excluded, since raw materials suppliers would still have access to a large part of total demand for raw materials. At EU-level, the Parties' market share as compound feed manufacturers increases from [0%-5%] to [0%-5%]. . At macro-regional or national level, the intended acquisition does not lead to appreciable market share increases, with increments being limited to [0%-5%] or less under any conceivable segmentation. Both in the macro-region and in the United Kingdom, other raw materials suppliers will still have access to a sufficient customer base in terms of other compound feed manufacturers and home-mixing farmers.
48. Finally, the majority of respondents to the market investigation were not concerned by the proposed transaction and they could find alternative suppliers if Forfamers/Cefetra were to stop selling them any kind of raw material. Also, no concerns were put forward on any other vertical relationships between the Parties. In light of the above, the proposed transaction is unlikely to give rise to foreclosure effects and therefore does not raise serious doubts in relation to the supply of raw materials for compound feed.

³⁹ The highest market share being in the Netherlands at [20%-30%]

⁴⁰ At [0%-5%] and [10%-20%] respectively.

⁴¹ And, in the hypothetical (never previously considered) market for the supply of compound feed for game [30%-40%] i.e. feed targeted, in marketing terms, at game, i.e. pheasants, partridges and ducks.

(ii) Premixes (upstream) and compound feed (downstream)

49. Although there is a vertical link between (upstream) producers of premixes and (downstream) manufacturers of compound feed, BOCM Pauls, the only party producing premixes, has a market share at EU-level of [0%-5%] and [5%-10%] in the United Kingdom. Outside the United Kingdom, it has only negligible sales of [...] kT. Hence, foreclosure is unlikely as a result of the proposed transaction. Therefore the proposed transaction does not give rise to foreclosure concerns or serious doubts in relation to the supply of premixes for compound feed.

(6) CONCLUSION

50. For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation.

*For the Commission
(signed)
Joaquín ALMUNIA
Vice-President*