

***Case No COMP/M.1830 -
FINALREALM /
UNITED BISCUITS***

Only the English text is available and authentic.

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

Article 6(1)(b) NON-OPPOSITION
Date: 03/02/2000

*Also available in the CELEX database
Document No 300M1830*



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 3.02.2000
SG (2000) D/101201

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 Where possible the information omitted has been replaced by ranges of figures or a general description.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(1)(b) DECISION

To the notifying parties

Dear Sirs,

Subject: Case No COMP/M. 1830 - *FINALREALM / UNITED BISCUITS*

Notification of 22.12.1999 pursuant to Article 4 of Council Regulation No 4064/89

1. On 22.12.1999 the Commission received a notification of a proposed concentration by which PAI Management SAS ("PAI") and Cinven Limited ("Cinven") will acquire joint control, through Finalrealm Limited, of United Biscuits (Holdings) plc by way of a public bid announced on 17.12.1999 and posted to shareholders on 14.01.2000.
2. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of Council Regulation (EEC) No. 4064/89 and does not raise serious doubts as to its compatibility with the common market and with the EEA Agreement.

I. THE PARTIES

3. PAI is an independent private equity affiliate of Paribas, a publicly listed company incorporated in France and owned by the Banque Nationale de Paris. PAI advises Paribas on the management of its equity holdings and it manages the PAI LBO Fund, licensed by COB, the French Stock Exchange regulator. Cinven is a wholly-owned subsidiary of Cinven Group Limited, incorporated in England. The Cinven Group is a venture capital business, providing investment management, advice and services.
4. United Biscuits ("UB") is a publicly listed company incorporated in Scotland with subsidiaries and sales worldwide. UB's principal activity is the manufacture and sale of biscuits, cakes and savoury snacks.

II. THE OPERATION

5. The operation is the proposed acquisition, by public offer, of the entire share capital of UB by Finalrealm, a company incorporated in England and Wales and established as a vehicle for this transaction.

III. CONCENTRATION

6. The transaction, by which PAI and Cinven acquire joint control, through Finalrealm, of UB is a concentration within the meaning of article 3(1)(b) of the Merger Regulation.

IV. COMMUNITY DIMENSION

7. The combined aggregate worldwide turnover of the undertakings concerned exceeds EUR 5 billion¹ (PAI exceeds €50,000 million; Cinven exceeds €7,000 million; and UB exceeds €2,000 million). The aggregate Community wide turnover of each party exceeds EUR 250 million. PAI and Cinven do not achieve more than two-thirds of their turnover in one and the same Member State. The operation therefore has a Community dimension.

V. COMPETITIVE ASSESSMENT

8. Neither PAI nor Cinven is currently active in the manufacture and sale of biscuits, cakes and savoury snacks. It is therefore not necessary to define the relevant product or geographic markets because there are no affected markets within the meaning of the Merger Regulation. Effective competition would therefore not be significantly impeded in the EEA or any substantial part of that area.

VI. CONCLUSION

9. 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) of Council Regulation (EEC) No 4064/89 and Article 57 of the EEA Agreement.

For the Commission,

Mario MONTI
Member of the Commission

¹ 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.