

EN

***Case No COMP/M.4343 -
KRAFT FOODS /
UNITED BISCUITS***

Only the English text is available and authentic.

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

Article 6(1)(b) NON-OPPOSITION
Date: 25/08/2006

***In electronic form on the EUR-Lex website under document
number 32006M4343***



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25-VIII-2006

SG-Greffe(2006)204783

PUBLIC VERSION

MERGER PROCEDURE
ARTICLE 6(1)(b) DECISION

SIMPLIFIED PROCEDURE

To the notifying party

Dear Madam(s) and/or Sir(s),

Subject: COMP/M.4343 – Kraft Foods/United Biscuits
Notification of 25.07.2005 pursuant to Article 4 of Council Regulation (EC) No. 139/2004¹;
Publication in the Official Journal of the European Union No. C 180 p. 98.

1. On 25/07/2006, the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 by which Kraft Foods International Inc. („Kraft Foods“, USA) acquires within the meaning of Article 3(1)(b) of the Council Regulation control of the whole of the undertaking United Biscuits Iberia S.L. („UB Iberia“, Spain) by way of purchase of shares.
2. The business activities of the undertakings concerned are:
 - Kraft Foods: Manufacture and sale of packaged food and beverages,
 - UB Iberia: manufacture and sale of biscuits, desserts, fruit juice and other food stuff.

¹ OJ L 24, 29.1.2004 p. 1

3. Due to board representation and veto rights, already prior to this transaction Kraft Foods has (negative) control over the United Biscuits group (and hence UB Iberia)². With the notified transaction, Kraft Foods intends to acquire full sole control over UB Iberia and consequently, Kraft Foods will be able to unilaterally impose strategic decisions and to determine UB Iberia's commercial policies. As a result, the notified transaction leads to a change in the quality of control of Kraft Foods and therefore constitutes a concentration in the meaning of Article 3 of Council Regulation (EC) No. 139/2004.³
4. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of Council Regulation (EC) No. 139/2004 and the scope of paragraph 5, subparagraph c of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No. 139/2004⁴.
5. For the reasons set out in the Notice on a simplified procedure, 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 (EC) No. 139/2004.

For the Commission
signed
Philip Lowe
Director General

² Case No. COMP/M.1920 *Nabisco/United Biscuits*; Case No. COMP/M.2072 *Phillip Morris/Nabisco*.

³ Para. 40 of the Commission Notice on the concept of concentration.

⁴ OJ C 56, 05.3.2005 p.32