CONCENTRATION APPROVAL: EUROCASH – PARTNER

* **UOKiK has approved the acquisition of control over Partner by Eurocash.**
* **Conducted proceedings showed that the concentration scheme in question shall not result in a restriction of competition.**

**[Warsaw, 04 January 2019]** The activities of undertakings involved in the concentration scheme overlap, including on the retail market of fast-moving consumer goods (FMCG) in traditional stores (up to 350 m2) and supermarkets (above 350 m2).Eurocash has a chain of its own stores, including “Delikatesy Centrum”, “Eko”, stores associated in partnership chains supervised by the company (e.g. “Euro Sklep”, “Groszek”, “Lewiatan”) and franchisees (“Groszek”). In addition, the group includes the frisco.pl online platform. Partner, the company being acquired, owns over 20 “Lewiatan” stores.

The Office of Competition and Consumer Protection (UOKiK) referred this case to the second stage of proceedings. It was necessary to perform a market survey in which UOKiK verified whether the activities of individual stores owned by both companies overlap on local markets.

The analysis of this case and decisions issued by UOKiK to date demonstrate that competition between the stores is asymmetric. Traditional outlets have to compete with supermarkets, which in turn do not have to take into account the competition of smaller stores. The chains compete with each other on local markets. Larger stores – within
a 10-15 minute drive. The area of competition between traditional stores is within 1 km. When buying groceries at smaller outlets, consumers usually want to get there on foot within a few or several minutes at most. **Competition will not be restricted on any of such markets.**

“*Following the transaction, Eurocash will still have to compete with others stores, either supermarkets or traditional stores, depending on the locality*. *This means that there is no risk of stores raising prices for consumers. Competition will also not be restricted on the wholesale market,”* says Marek Niechciał, president of the Office of Competition and Consumer Protection.

According to the law, the transaction is subject to notification to the antitrust authority if it involves undertakings whose aggregate turnover generated in the preceding year exceeded EUR 1 billion worldwide or EUR 50 million in Poland.

The decisions approving the concentration expire if the transaction is not completed within 2 years of the adoption thereof. [The UOKiK website](http://www.uokik.gov.pl/koncentracje.php)publishes information on all concentration-related antitrust proceedings conducted by UOKiK. More information about the principles governing mergers can be found in a dedicated [paper.](http://uokik.gov.pl/download.php?id=1269)

**Additional information for the media:**

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