



DETERMINATION OF MERGER NOTIFICATION M/21/073 – FANE VALLEY/DRUMMONDS

Section 21 of the Competition Act 2002

Proposed acquisition by Fane Valley (Ireland) Limited of joint control of Drummonds Limited.

Dated 05 January 2022

1. On 14 December 2021, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition by Fane Valley (Ireland) Limited (“Fane Valley”), a wholly owned subsidiary of Fane Valley Co-Operative Society Limited, would acquire joint control of Drummonds Limited (“Drummonds”), a company solely controlled by Freshgrass Holding Unlimited Company (“Freshgrass”) (the “Proposed Transaction”).
2. The parties are involved in the following business activities:
 - Fane Valley is a wholly owned subsidiary of Fane Valley Co-Operative Society Limited, which is a farmer owned co-operative that has four divisions: Fane Valley Feeds, a manufacturer of animal feedstuffs; Fane Valley Stores, which are a network of retail stores supplying farming requisites direct to farmers in Northern Ireland; Fane Valley Foods; and Burke Shipping. Fane Valley Foods is comprised of four companies: Hilton Meat Products Limited which procures and processes offal; Duncrue Food Processors Limited which manufactures edible fat and protein; Silver Hill Foods Unlimited Company, which is a duck production company; and Whites Speedicook Limited (“Whites”), a porridge and oat cereal business.
 - Drummonds is an agri-merchant primarily operating in the North-East of the State. It supplies grains, such as oats, to feed mills, and agricultural inputs, such as fertiliser, agri-chemicals, seeds and feed, directly to farmers. Drummonds also owns and operates retail, manufacturing and distribution facilities in the North-



East of the State. It is a wholly controlled subsidiary of Freshgrass, an investment holding company.

3. Previous notifications to the Commission involving the parties are set out as follows:
 - M/09/010 – LL/TPDL/FIL & Freshmills/Drummonds¹
 - M/15/058 – Fane Valley/Lakeland Dairies²
 - M/16/050 – Freshgrass/Freshmills³
 - M/19/020 – Fane Valley/Smyths⁴
 - M/19/044 – Timac Agro (Holdings) (Groupe Roullier)/Grassland Agro⁵
4. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act, since
 - i. On any potential market in the State on which the parties are both active, Fane Valley and Drummonds each have a minimal share and their combined market share is less than 15%.
 - ii. In respect of any vertical relationship between the parties within the State, Fane Valley and Drummonds each have a market share of less than 25%.
5. In the light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

6. No ancillary restraints were notified.

¹ <https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m09010-ll-tpdl-fil-freshmills-drummonds/>

² <https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m15058-fane-valley-lakeland/>

³ <https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m16050-freshgrassfreshmills/>

⁴ <https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m-19-020-fane-valley-smyths/>

⁵ <https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m-19-044-timac-agro-holdings-groupe-roullier-grassland-agro/>



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of Proposed Transaction by which Fane Valley, a wholly owned subsidiary of Fane Valley Co-Operative Society Limited, would acquire joint control of Drummonds, a company solely controlled by Freshgrass, will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Ibrahim Bah
Director
Competition Enforcement and Mergers Division
Competition and Consumer Protection Commission