



DETERMINATION OF MERGER NOTIFICATION M/22/054 – KAVANAGH RETAILING/CLARKES BARNA

Section 21 of the Competition Act 2002

Proposed acquisition by Kavanagh Retailing (IRL) Unlimited Company of sole control of Clarkes Barna Limited.

Dated 18 October 2022

1. On 29 September 2022, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission received a notification of a proposed acquisition whereby Kavanagh Retailing (IRL) Unlimited Company (“Kavanagh Retailing”) would acquire sole control of Clarkes Barna Limited (“Clarkes Barna”).
2. The Proposed Transaction will be implemented by means of a binding Heads of Terms between Kavanagh Retailing and Clarkes Barna dated 8 July 2022. Under the terms of the Heads of Terms, Kavanagh Retailing will acquire the entire issued share capital of Clarkes Barna.
3. The notifying parties are involved in the following business activities:
 - Kavanagh Retailing is part of the Kavanagh Group, a family-owned group of companies that are controlled by Noel Kavanagh Senior. The Kavanagh Group is primarily active in retail in the United Kingdom (the “UK”) and in Ireland. The Kavanagh Group operates primarily in the State through Kavanagh Retailing, which owns ten supermarkets in the State, all of which operate under the SuperValu brand under a franchise arrangement with the Musgrave Group. The Kavanagh Group supermarkets are located in Galway (2), Mayo (4) and Donegal (4). The Kavanagh Group also owns other retail businesses in the State, namely; O’Cee’s Coffee Shop (which is operated from the SuperValu store in Westport) and Westport Homeware Shop, both of which are located in Mayo. The Kavanagh Group also generates a small amount of turnover in the State from



the provision of car park management services to the owner of the Castlebar Shopping Centre common areas and car park in Mayo.

- Clarkes Barna owns a SuperValu supermarket and two overhead apartments, in Barna, County Galway. Clarkes Barna's SuperValu supermarket operates pursuant to a franchise agreement with Musgraves.

4. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1(b) of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act, as while the parties to the Proposed Transaction are active in the same product and geographic market, their combined market share is less than 15%.
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.



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 the proposed acquisition, whereby Kavanagh Retailing (IRL) Unlimited Company would acquire sole control of Clarkes Barna Limited, 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