

MERGER ANNOUNCEMENT - M/23/010 – BWG/TUFFY WHOLESALE

Competition and Consumer Protection Commission clears proposed acquisition by BWG Foods Unlimited Company of sole control of Tuffy Wholesale Limited.

3 May 2023

On 3 May 2023, the Competition and Consumer Protection Commission has cleared, subject to legally binding commitments, the proposed transaction whereby BWG Foods Unlimited Company (“BWG”), a wholly owned subsidiary of TIL JV Limited, would acquire the entire issued share capital and thereby sole control of Tuffy Wholesale Limited (“Tuffy Wholesale”). The proposed transaction was notified under the Competition Act 2002, as amended, on 28 February 2023.

The Commission conducted an extended phase one investigation. During the investigation the CCPC identified a potential competition concern in relation to BWG’s access to competitively sensitive information, arising from Tuffy Wholesale, through their ownership of the business and certain assets of Tuffy Wholesale’s relationship with Stonehouse Marketing Limited and Gala Retail Service Limited (“GRSL”).

To address these potential concerns, BWG proposed to make a number of binding commitments to the CCPC which included a commitment to prevent BWG from acquiring Tuffy Wholesale’s shareholdings in Stonehouse and GSRL and firewall and confidentiality commitments to prevent the exchange of competitively sensitive information between BWG, Stonehouse and/or GRSL following completion.

The CCPC is of the view that the commitments obtained from BWG are appropriate and effective in addressing competition concerns. The CCPC has taken these commitments into

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account and they form part of its determination. As a result, the commitments have become binding on BWG.

The CCPC has determined that, in its opinion, the result of the proposed transaction, taking into account the commitments obtained from BWG, will not substantially lessen competition in any market for goods or services in the State. The CCPC will publish the reasons for its determination on its website no later than 60 working days after the date of the determination and after allowing the parties the opportunity to request that confidential information be removed from the published version.

Additional Information

BWG Foods Unlimited Company is involved in the wholesale distribution of food and grocery goods to its affiliated stores and to stores operated by independent retailers. It is also involved in the wholesale distribution of food and beverages to food-service customers and to the licensed trade. BWG Foods Unlimited Company also operates a distribution centre and a number of cash and carry outlets in the State.

Tuffy Wholesale Limited is an Irish-owned wholesale business and member of Stonehouse Marketing Limited and GRSL. It is engaged in the wholesale distribution of tobacco products, confectionary, soft drinks, alcohol, chilled foods and general grocery products to retail grocery stores, hospitality, schools, universities and hospitals by way of a 'delivered business' distribution channel.