

DETERMINATION OF MERGER NOTIFICATION M/24/046 – VETPARTNERS/MIDLETON VETERINARY HOSPITAL

Section 21 of the Competition Act 2002

Proposed acquisition by VetPartners Practices Ireland Limited of the business and certain assets of Midleton Veterinary Hospital Limited and the partnership known as Knockgriffin Veterinary Clinic

Dated: 4 November 2024

Introduction

1. On 31 July 2024, in accordance with section 18(3) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby VetPartners Practices Ireland Limited (“VetPartners”) would acquire sole control of the business and certain assets of Midleton Veterinary Hospital Limited (“MVHL”) and the partnership known as Knockgriffin Veterinary Clinic (the “KVC Partnership”) (which trade as Midleton Veterinary Hospital (“MVH”)) (the “Proposed Transaction”).

The Proposed Transaction

2. The Proposed Transaction is to be implemented pursuant to an asset purchase agreement, dated 8 July 2024, between several private individuals ([REDACTED]) and VetPartners (the “APA”). Pursuant to the APA, VetPartners will acquire sole control of the business and certain assets of MVHL and the KVC Partnership. MVHL owns the premises from which MVH operates. MVHL will retain ownership of the building from which MVH operates and lease it to VetPartners following implementation of the Proposed Transaction.

The Undertakings Involved

The Acquirer – VetPartners

3. VetPartners is a wholly-owned subsidiary of VetPartners Limited, a veterinary services provider incorporated in England. VetPartners Limited, through its various international subsidiaries,

also owns veterinary practices in France, Germany, Italy, Spain, the Netherlands, Portugal and Switzerland. VetPartners Limited and its subsidiaries are owned by BC Partners LLP (“BC Partners”), a private equity firm.

4. VetPartners owns 24 veterinary practices in the State, as shown in Table 1 below.

Table 1: VetPartners’ veterinary practices in the State

No.	Location
1	Clondalkin, Dublin 22
2	Kells, Co. Meath
3	Navan, Co. Meath
4	Laytown, Co. Meath
5	Drogheda, Co. Louth
6	Tullyherim, Co. Monaghan
7	Ballybay, Co. Monaghan
8	Cootehill, Castleblayney, Co. Cavan
9	Belturbet, Co. Cavan
10	Cavan Town, Co. Cavan
11	Killeshandra, Co. Cavan
12	Arklow, Co. Wicklow

13	Rathdrum, Co. Wicklow
14	Tinahely, Co. Wicklow
15	Nobber, Co. Meath
16	Market Street, Tralee, Co. Kerry
17	Pier 17 Business Centre, Tralee, Co. Kerry
18	Ballincollig, Co. Cork
19	Carrigaline, Co. Cork
20	Kinsale, Co. Cork
21	Clonakilty, Co. Cork
22	Bandon, Co. Cork
23	Thurles, Co. Tipperary
24	Johnstown, Co. Kilkenny

Source: The Parties and the Commission

5. BC Partners owns 16 companies that generated turnover in the State in 2023 (see Table 2 below).

Table 2: BC Partners' portfolio companies that generated turnover in the State in 2023

No.	Portfolio company	Industry	Turnover in the State (€m)
-----	-------------------	----------	----------------------------

1	Advanced Computer Software Group Ltd	Technology, media and telecoms	■
2	Aenova Group	Pharmaceutical (contract development and manufacturing organisation)	■
3	Ceramtec	Healthcare - manufacturing ceramic components for hip replacements	■
4	Davies Group	Insurance - professional services and technology solutions	■
5	EAB	Technology, media and telecoms	■
6	Fedrigoni	Packaging	■
7	Forno d'Asolo	Food manufacturer and distributor	■
8	Garda World Security Corporation	Security services	■
9	Madison Logic	Technology, media and telecoms	■
10	Navex	Technology, media and telecoms	■
11	Presidio	Technology, media and telecoms	■

12	Springer Nature	Technology, media and telecoms	■
13	Synthon International Holdings	Healthcare - generic drug development (human)	■
14	Tentamus Group	Testing, inspection and certification sector	■
15	United Group	Technology, media and telecoms	■
16	VetPartners	Healthcare - veterinary	■

Source: The Parties

6. For the financial year ending 30 June 2023, VetPartners' total worldwide turnover was approximately ■, all of which was generated in the State. In 2023, the total worldwide turnover of BC Partners' portfolio companies was approximately ■, of which approximately ■ was generated in the State.

The Target – Midleton Veterinary Hospital

7. MVH is a veterinary practice in Midleton, Co. Cork. It is currently owned by MVHL and the KVC Partnership. MVH offers a wide range of veterinary services to both small and large animals. These services include screening, dentistry, surgery, diagnostics and artificial insemination. MVH offers a broader range of services than smaller veterinary clinics.
8. For the financial year ending 31 December 2023, MVH's total worldwide turnover was approximately ■, all of which was generated in the State.

Rationale for the Proposed Transaction

9. The Parties stated the following in the merger notification form ("Merger Notification Form"):

"MVH is a well-respected veterinary practice which fits with [VetPartners'] ethos of delivering quality care to our patients and quality service to our clients."

Contact with the Parties

10. On 28 August 2024, the Commission served a requirement for information (“RFI”) on each of VetPartners and MVH pursuant to section 20(2) of the Act (the “VetPartners RFI” and the “MVH RFI” respectively, and together the “RFIs”). The service of the RFIs adjusted the deadline within which the Commission had to conclude its assessment of the Proposed Transaction in Phase 1.
11. The Proposed Transaction was initially notified by the Parties to the Commission under the Simplified Merger Notification Procedure (“SMNP”). In accordance with paragraph 2.3(a) of the SMNP Guidelines,¹ the service of an RFI will revert the Commission’s assessment of a transaction to the Standard Merger Notification Procedure. Therefore, the service of the RFIs reverted the Commission’s assessment of the Proposed Transaction to the Standard Merger Notification Procedure.
12. VetPartners provided its full response to the VetPartners RFI on 18 September 2024.
13. MVH provided its full response to the MVH RFI on 24 September 2024.
14. Upon receipt of a full response to each of the RFIs, the “appropriate date” (as defined in section 19(6)(b)(i) of the Act) became 24 September 2024.²

Third Party Submissions

15. The Commission received one third-party submission in relation to the Proposed Transaction. This submission was fully considered by the Commission insofar as it related to potential competition concerns arising from the Proposed Transaction.

Markets Involved

Horizontal and vertical overlaps

16. There is a horizontal overlap between the Parties as both own and operate veterinary practices in the State.

¹ The Commission’s SMNP Guidelines are accessible at: <https://www.ccpic.ie/business/mergers/guidance-on-mergers/guidance-mergers/>

² The “appropriate date” is the date from which the time limits for making both Phase 1 and Phase 2 determinations begin to run.

17. The Parties state in the Merger Notification Form that there is no vertical relationship between the Parties. Based on available information, the Commission has not identified any actual or potential vertical relationship between the Parties. Therefore, the Commission considers that the Proposed Transaction does not give rise to any vertical competition concerns in the State.

Market Definition

Product Market

Previous decisions of the Commission

18. The Commission has issued three previous determinations in relation to the veterinary sector.³ These three determinations related to transactions that were notified pursuant to the SMNP. Consequently, the Commission did not consider the potential relevant market or markets in detail within its previous merger determinations in the veterinary sector.

Previous decisions of the CMA

19. The Commission has considered previous merger decisions of the UK Competition and Markets Authority (“CMA”) in the veterinary sector insofar as they are relevant to its assessment of the Proposed Transaction.
20. The CMA has considered the veterinary services sector in numerous merger decisions.⁴ In these decisions, the CMA considered several potential distinctions within the supply of veterinary services:
- First opinion care as opposed to specialist care (the latter only being provided following a referral by the first opinion care provider);
 - Small animal care⁵ as opposed to large animal care⁶ and equine care;
 - Care provided on a commercial basis, instead of by charitable providers;

³ M/24/028 – IVC Evidensia (Independent Vetcare)/Tullamore Pet Hospital, M/24/037 – IVC Evidensia (Independent Vetcare)/Well Pet Hospital and M/24/060 – Veterinary Services Limited.

⁴ For example, see: (i) ME/6967/21 VetPartners/Goddard; (ii) ME/7026-7033/22 IVC/Multiple Businesses; and (iii) CMA/11/23 Medivet Group Limited/Multiple Businesses.

⁵ Such as cats, dogs and other domestic pets.

⁶ Such as farm animals.

- Care provided at a practitioner's site as opposed to at the customer's home or online; and
- Care provided during standard daytime hours, instead of as part of out-of-hours care ("OOH").

21. In a recent merger decision in the veterinary sector, the CMA assessed the competitive effects of the relevant transaction by reference to: (i) standard small animal veterinary services; (ii) first opinion equine veterinary services; and (iii) small animal OOH services.⁷

Parties' views

22. The Parties stated that there is a potential overlap between the Parties in the provision of:

- Regular small animal care;
- OOH small animal care; and
- Large animal care.

Commission's views

23. The Commission notes that there are several potential product markets that can be considered when assessing acquisitions in the veterinary industry.

24. The Commission defines markets to the extent necessary depending on the particular circumstances of a given case. In this instance, the Commission has decided to leave the precise product market definition open, as its assessment of the competitive effects of the Proposed Transaction would be unchanged whether the Proposed Transaction is assessed by reference to a broad potential product market (e.g., the supply of all veterinary services) or narrow potential product markets (e.g., the provision of regular small animal care). However, for the purposes of its competitive assessment, the Commission has assessed the competitive effects of the Proposed Transaction with reference to the following three potential product markets:

⁷ See ME/7026-7033/22 IVC/*Multiple Businesses*.

- The provision of regular small animal care;
- The provision of OOH small animal care; and
- The provision of large animal care.

Geographic Market

Previous decisions of the Commission

25. As noted above, the Commission has issued three previous determinations in relation to the veterinary sector.⁸ As these three determinations related to transactions that were notified pursuant to the SMNP, the Commission did not consider the potential relevant geographic markets in detail in these determinations.

Previous decisions of the CMA

26. As noted above, the CMA has considered several different potential product markets in the veterinary sector in its previous decisions.⁹ In those cases, the CMA assessed the potential product markets on a local basis. With respect to the provision of small animal care and large animal care, the CMA defined local catchment areas by reference to “80th percentile drivetimes” based on revenues for veterinary practices. As the Parties state in the Merger Notification Form, this approach defines the potential relevant geographic market based on the drive time from the relevant veterinary practices within which the source of 80% of its revenues are located (the “80th Percentile Drive Times”).
27. For OOH care, the CMA used drivetimes ranging from 33 to 45 minutes as a result of challenges in calculating the 80th percentile drive times.

⁸ M/24/037 – IVC Evidensia (Independent Vetcare)/Well Pet Hospital and M/24/028 – IVC Evidensia (Independent Vetcare)/Tullamore Pet Hospital.

⁹ For example, see: (i) ME/6967/21 VetPartners/Goddard; (ii) ME/7026-7033/22 IVC/Multiple Businesses; and (iii) CMA/11/23 Medivet Group Limited/Multiple Businesses.

Parties' views

28. With respect to the provision of (i) regular small animal care and (ii) large animal care, the Parties provided information based on 80th Percentile Drive Times based on revenues of veterinary practices.
29. With respect to the provision of OOH small animal care, the Parties provided information based on a 45-minute drivetime from veterinary practices owing to difficulties in providing information on the basis of 80th Percentile Drive Times.

Commission's views

30. The Commission considers that the appropriate geographic frame of reference for the provision of veterinary services (irrespective of the specific type of veterinary service) is primarily local in nature. In the Commission's view, the methodology used by the Parties to identify the 80th Percentile Drive Times was based on incomplete information.¹⁰ Consequently, the Commission did not consider it appropriate to use this information as the basis for assessing the appropriate geographic market.
31. In this case, the Commission has decided to leave the precise geographic market open, as its assessment of the competitive effects of the Proposed Transaction would be unchanged whether the Proposed Transaction is assessed by reference to a broad geographic market (national) or narrow (local) geographic market. However, for the purposes of its competitive assessment, the Commission has assessed the three potential product markets listed above within a local catchment area of a 45-minute drivetime from MVH (the "local catchment area"). Therefore, the Commission has assessed the competitive effects of the Proposed Transaction with reference to the following three potential relevant markets:
 - The provision of regular small animal care within the local catchment area;
 - The provision of OOH small animal care within the local catchment area; and
 - The provision of large animal care within the local catchment area.

¹⁰ The information provided by the Parties indicated that the Parties were unable to accurately match a sufficient proportion of each veterinary practice's revenue to customer locations.

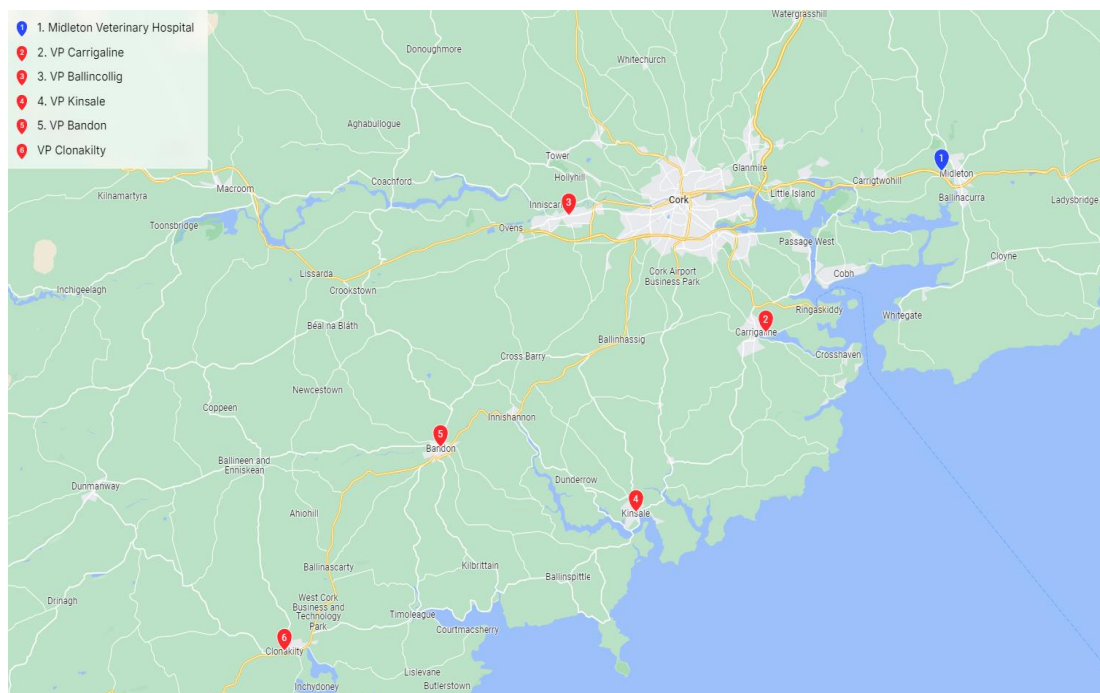
Competitive Assessment

Horizontal effects

Regular small animal care within the local catchment area

32. As shown in Map 1, MVH is located in Midleton in east Co. Cork. VetPartners owns five veterinary practices in Co. Cork.
33. Applying a radius of 45-minutes' drivetime from MVH's premises in Midleton, Co. Cork shows that VetPartners owns four veterinary practices within the local catchment area which offer regular small animal care. These are located in Carrigaline (number 2), Ballincollig (number 3), Kinsale (number 4) and Bandon (number 5).¹¹

Map 1: The Parties' small animal care veterinary practices



Source: The Commission

The Commission's approach to market shares

34. The Commission calculated potential market shares using two different measurements.

¹¹ VetPartners' veterinary practice in Clonakilty (number 6) is located outside of the local catchment area.

35. First, the Commission calculated shares by reference to the number of veterinary practices that each supplier operates. While the Commission considers that this measurement accurately captures the number of suppliers and veterinary practices active in the local catchment area, it offers less insight into each supplier's relative size and strength.
36. Second, the Commission also calculated shares based on the number of full-time equivalent vets working in each veterinary practice ("FTE vets"). The Commission considers that this measure is more likely to capture the relative size and strength of each veterinary practice and supplier.¹² Therefore, the Commission is of the view that FTE vets, where possible to robustly estimate, is likely to represent a more appropriate measure for market shares in this potential relevant market.
37. These two measurements, when considered together, offer a useful overview of the suppliers active in the area. The Commission notes that there are limitations to the information provided by the Parties with respect to FTE vets in the local catchment area. However, the Commission is satisfied that its findings are based on the best information available to it.
38. Table 3 lists each supplier of small animal care within the local catchment area, along with their estimated shares using both measures.

¹² The CMA has previously calculated market shares using FTE vets. For example, see: (i) *ME/6967/21 VetPartners/Goddard*; (ii) *ME/7026-7033/22 IVC/Multiple Businesses*; and (iii) *CMA/11/23 Medivet Group Limited/Multiple Businesses*.

Table 3: Suppliers of regular small animal care within the local catchment area

Supplier	Number of practices	Number of FTE vets	Practice	Drivetime from MVH	Distance by Road from MVH	Share by number of practices	Share by FTE vets
MVH	1		Midleton Veterinary Hospital	N/A	N/A	2%	[0-5]%
VetPartners	4		VP Carrigaline	27 mins	28km	7%	[5-10]%
			VP Ballincollig	26 mins	32km		
			VP Kinsale	43 mins	50km		
			VP Bandon	41 mins	49km		
Combined	5		Combined			9%	[10-15]%
Abbeyville	4		Abbeyville Little Island	11 mins	13km	7%	[10-15]%
			Abbeyville Togher	24 mins	27km		
			Abbeyville Carrigaline	27 mins	27km		
			Abbeyville Blarney	30 mins	29 km		
Sunbeam Vets	4		Sunbeam Vets Cobh	16 mins	14km	7%	[5-10]%
			Sunbeam Vets Passage West	22 mins	24km		
			Sunbeam Vets Kinsale Road	20 mins	23km		
			Sunbeam Vets Blackpool	29 mins	25km		
Cashman Veterinary Clinics	2		Cashman Cobh	19 mins	16km	4%	[0-5]%
			Cashman Glanmire	17 mins	18km		
Others	40					73%	[65-70]%
Total	55					100%¹³	100%¹⁴

Source: The Parties and the Commission

¹³ Shares have been rounded.

¹⁴ Shares have been rounded.

39. As shown in Table 3, there is a range of suppliers of regular small animal care within the local catchment area. Following the implementation of the Proposed Transaction, VetPartners would have an approximately 9% share by number of practices and an approximately [10-15]% share by FTE vets (while noting the previously highlighted caveats with the estimates of FTE vets).
40. The Commission considers that the Proposed Transaction is unlikely to give rise to competition concerns in the provision of regular small animal care within the local catchment area for the reasons set out below.
41. **First**, VetPartners will continue to be constrained by several competing suppliers. Such suppliers include those that operate from several locations, such as Abbeyville and Sunbeam Vets, each of which operates four veterinary practices in the local catchment area. Furthermore, VetPartners will also continue to be constrained by several suppliers that operate from a single site, such as the Vet Clinic (located within a 5-minute drive of MVH), Veterinary Specialists Cork (located within a 10-15 minute drive from MVH) and Cloyne Veterinary Clinic (located within a 10-15 minute drive of MVH).
42. **Second**, the locations of the Parties' veterinary practices indicate that it is unlikely that they compete closely in the provision of regular small animal care. The Parties provided information which indicated that each of their respective practices generate a significant proportion of their revenue from customers that travel less than 45 minutes (and typically less than 15 minutes) to reach their respective clinic.¹⁵ Furthermore, information provided by a competing supplier of small animal care also indicated that customers generally travel less than 20 minutes to bring their pet to a veterinary practice. Therefore, the Commission considers that it is likely that most of MVH's small animal care customers are located in the area immediately surrounding Midleton in east Co. Cork. To switch to a VetPartners' veterinary practice, such customers would need to travel past several competing veterinary practices and through Cork city and/or other suburbs. Given the distance and presence of several third-party veterinary

¹⁵ As noted above, the Commission identified issues with the methodology applied by the Parties when calculating the 80th Percentile Drive Times. However, this information demonstrates that each veterinary practice generates a significant portion of its revenue from its immediate local area.

practices between the Parties' sites, the Commission considers that it is unlikely that VetPartners and MVH compete closely in the provision of regular small animal care.

43. Therefore, for the reasons outlined above, the Commission considers that the Proposed Transaction does not raise horizontal competition concerns in the provision of regular small animal care within the local catchment area.

OOH small animal care within the local catchment area

The Commission's approach to market shares

44. As noted above, the Commission calculated shares with respect to the provision of regular small animal using two measurements: (i) number of practices; and (ii) number of FTE vets.
45. The Parties stated in the Merger Notification Form that, as a matter of practice, it is highly unlikely that a full team of FTE vets would be on duty during an OOH period. The Parties noted that it is more likely that each practice which offers OOH small animal care would have a single FTE vet available out of hours. The Commission's market research also indicated that veterinary practices which offer OOH small animal care do so on a reduced basis, often having a single vet on call.¹⁶ In light of this, the Commission considers it appropriate to calculate shares of the provision of OOH small animal care in the local catchment area by reference to the number of practices only, and not by reference to number of FTE vets.
46. Table 5 lists the suppliers of OOH small animal care within the local catchment area.

¹⁶ Commission's engagement with a competing supplier.

Table 5: Suppliers of OOH small animal care within the local catchment area

Supplier	Number of practices	Practice	Drivetime from MVH in Minutes	Distance by road from MVH	Share by number of practices
MVH	1	Midleton Veterinary Hospital	N/A	N/A	4%
VetPartners	4	VP Carrigaline	27 mins	28km	16%
		VP Ballincollig	26 mins	32km	
		VP Kinsale	43 mins	50km	
		VP Bandon	41 mins	49km	
Combined	5	Combined			20%
Abbeyville	4	Abbeyville Little Island	11 mins	13km	16%
		Abbeyville Togher	24 mins	27km	
		Abbeyville Carrigaline	27 mins	27km	
		Abbeyville Blarney	30 mins	29 km	
Sunbeam Vets	1	Sunbeam Veterinary Hospital Blackpool	29 mins	25km	4%
Glasslyn Vets	2	Glasslyn Bandon	42 mins	50km	8%
		Glasslyn Kinsale	42 mins	45km	
Others	13				52%
Total	25				100%

Source: The Parties and the Commission

47. As shown in Table 5, there are several suppliers of OOH small animal care within the local catchment area. Following the implementation of the Proposed Transaction, VetPartners would have approximately a 20% share by number of practices, an increase of approximately 4% on its pre-merger share.¹⁷
48. The Commission considers the Proposed Transaction is unlikely to give rise to competition concerns in the provision of OOH small animal care within the local catchment area for the reasons set out below.
49. **First**, VetPartners will continue to be constrained by several competing suppliers. Such suppliers include those that operate from several locations, such as Abbeyville and Glasslyn Vets. The Commission also considers that *Sunbeam Vets* likely exerts a strong competitive constraint on VetPartners and other suppliers in the local catchment area more generally. While only one of Sunbeam Vets' four practices provides OOH small animal care, the Commission understands that certain veterinary practices redirect their customers to Sunbeam Vets in relation to OOH small animal care.¹⁸ This indicates that Sunbeam Vets, in particular, may exert a strong competitive constraint on VetPartners.
50. **Second**, the Parties' respective locations indicate that it is unlikely that they compete closely in the provision of OOH small animal care. As noted above, information provided by the Parties and third parties indicated that customers generally travel less than 20 minutes to bring their pet to a veterinary practice. Additionally, the Commission notes that MVH only provides OOH small animal care to registered customers.¹⁹ Therefore, the Commission considers it likely that most of MVH's OOH small animal care customers are located in the area immediately surrounding Midleton in east Co. Cork. MVH's customers would need to travel through Cork city and/or other suburbs and past alternative veterinary practices to reach a VetPartners' veterinary practice. While customers may be willing to travel further to source OOH small animal care given the fewer available suppliers as well as the emergency nature of such care, the distance and presence of numerous third-party veterinary practices between the Parties'

¹⁷ The Commission notes that VetPartners provides OOH small animal care through its veterinary practices on a rotatory basis. Consequently, only two VetPartners' practices provide OOH small animal care at any one time. Therefore, VetPartners' share may be less than 16% in the provision of OOH small animal care.

¹⁸ Commission's engagement with competing suppliers.

¹⁹ Merger Notification Form.

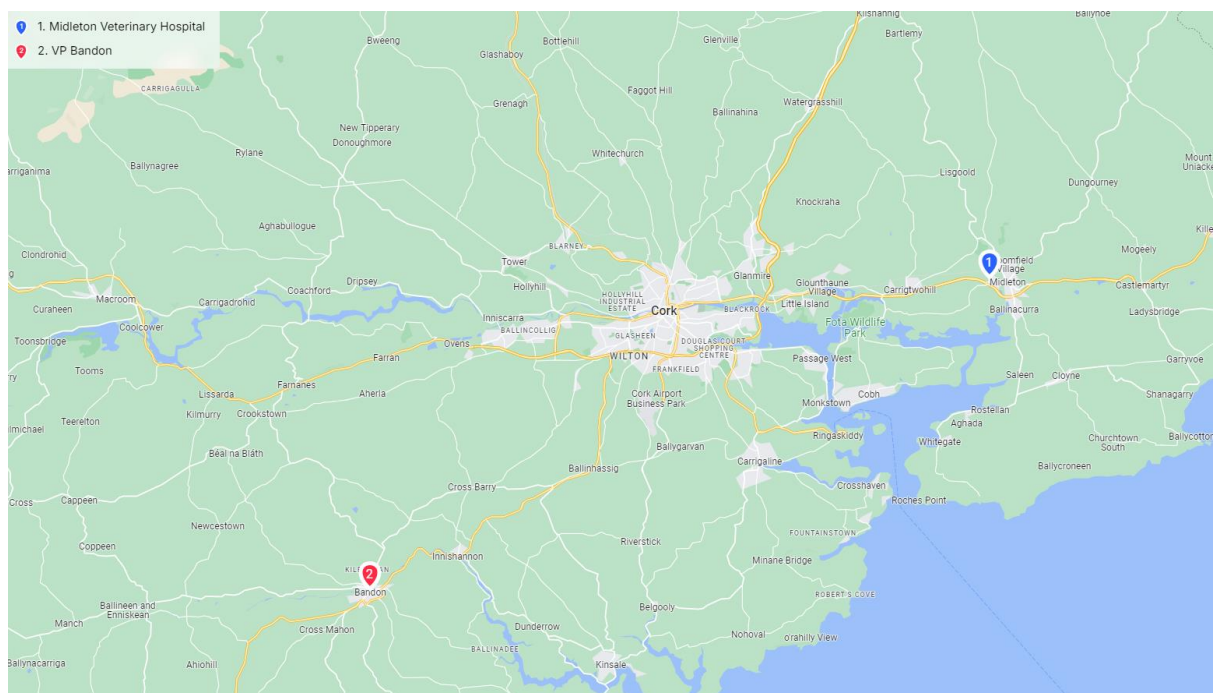
sites indicates that VetPartners and MVH do not compete closely in the provision of OOH small animal care in the local catchment area.

51. Therefore, for the reasons outlined above, the Commission considers that the Proposed Transaction does not raise competition concerns in the provision of OOH small animal care within the local catchment area.

Large animal care within the local catchment area

52. Map 2 shows MVH and the VetPartners' veterinary practice which offers large animal care within the local catchment area.
53. Applying a radius of 45-minutes' drive time from MVH's premises in Midleton, Co. Cork shows that VetPartners owns one veterinary practice within the local catchment area that offers large animal care, which is located in Bandon (number 2).²⁰

Map 2: The Parties' large animal care veterinary practices



Source: The Commission

²⁰ VetPartners' veterinary practice in Clonakilty is located outside of the local catchment area.

The Commission's approach to market shares

54. As noted above, the Commission calculated potential market shares with respect to the provision of regular small animal care using two measurements: (i) number of practices; and (ii) number of FTE vets.
55. In respect of the provision of large animal care, the Commission has calculated shares on the basis of number of practices only. This is due to the limitations in the information provided to the Commission in respect of FTE vets in the provision of large animal care. However, the Commission notes that it did not identify any competition concerns on the basis of the FTE vets information that was provided by the Parties in relation to large animal care.
56. Table 6 lists the suppliers of large animal care within the local catchment area.

Table 6: Suppliers of large animal care within the local catchment area

Supplier	Number of practices	Practice	Drivetime from MVH in minutes	Distance by road from MVH	Share by number of practices
MVH	1	Midleton Veterinary Hospital	N/A	N/A	2.7%
VetPartners	1	VP Bandon	41 mins	49km	2.7%
Combined	2	Combined			5.5%
Abbeyville	4	Abbeyville Little Island	11 mins	13km	11.1%
		Abbeyville Togher	24 mins	27km	
		Abbeyville Carrigaline	27 mins	27km	
		Abbeyville Blarney	30 mins	29 km	
Glassyn Vets	2	Glasslyn Bandon	42 mins	50km	5.5%
		Glassyln Kinsale	42 mins	45km	
Others (26)	28				77.7%
Total	36				100%²¹

Source: The Parties and the Commission

²¹ Shares have been rounded.

57. As shown in Table 6, there is a range of suppliers of large animal care within the local catchment area. Following the implementation of the Proposed Transaction, VetPartners would have approximately a 5.5% share by number of veterinary practices, an increase of 2.7% on its pre-merger share.
58. The Commission considers the Proposed Transaction is unlikely to give rise to competition concerns in the provision of large animal care within the local catchment area for the reasons set out below.
59. **First**, VetPartners will continue to be constrained by several competing suppliers, such as Abbeyville and Glasslyn Vets, which operate four and two veterinary practices respectively. VetPartners will also continue to be constrained by a range of individual veterinary practices.
60. **Second**, the Commission considers that MVH and VetPartners are unlikely to compete closely in the provision of large animal care. As noted above, information provided by the Parties and a third party indicated that customers generally source large animal care from vets located within 20 minutes of their location (such as a farm).²² The Commission considers that it is likely that most of MVH's large animal care customers are located in the area immediately surrounding Midleton in east Co. Cork. VetPartners' sole large animal care practice is located close to the edge of the local catchment area in Bandon in west Co. Cork, approximately 49km from MVH. The Commission considers it unlikely that a farmer or other customer located in east Cork would seek large animal care from the VetPartners' practice in Bandon.
61. For the reasons outlined above, the Commission considers that the Proposed Transaction does not raise competition concerns in the provision of large animal care within the local catchment area.

Conclusion on horizontal effects

62. For the reasons outlined above, the Commission considers that the Proposed Transaction does not raise horizontal competition concerns in the State.

²² Commission's engagement with a large animal care customer.

Conclusion on competitive analysis

63. In light of the above, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

64. The Parties state that Clauses 16.2.1 and Clause 16.3 of the APA contain restrictions that are directly related and necessary to the implementation of the Proposed Transaction.
65. The Commission notes that Clause 16.2.1 and Clause 16.3 of the APA impose a non-solicitation and a non-compete restriction on the Sellers. The Commission considers that the duration and scope of these obligations do not exceed the maximum duration and scope acceptable to the Commission.²³ The Commission therefore considers the restrictions contained in Clause 16.2.1 and Clause 16.3 of the APA to be directly related and necessary to the implementation of the Proposed Transaction, insofar as they relate to the State.

²³ In this respect, the Commission follows the approach adopted by the EU Commission in paragraphs 20 and 26 of its “Commission Notice on restrictions directly related and necessary to concentrations” (2005). For more information see: [c_05620050305en00240031.pdf](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:05620050305en00240031.pdf) ([europa.eu](https://eur-lex.europa.eu/)).

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 VetPartners Practices Ireland Limited would acquire sole control of the business and certain assets of Midleton Veterinary Hospital Limited and the partnership known as Knockgriffin Veterinary Clinic (which trade as Midleton Veterinary Hospital) 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.

Úna Butler

Member

Competition and Consumer Protection Commission