

RECKITT BENCKISER/K-Y BRAND MERGER INQUIRY

Summary of response hearing with Superdrug on 16 June 2015

Views on the CMA's provisional findings

1. Superdrug did not have any significant concerns about Reckitt Benckiser (RB)'s proposed acquisition of the K-Y brand in the UK from Johnson & Johnson (J&J).

Impact of changes in the size of Durex personal lubricant bottles

2. Superdrug had stocked the new, 50 millilitre, Durex personal lubricant bottles since February 2015. [✂]
3. Superdrug had trialled different promotions on Durex personal lubricants [✂]
4. [✂]
5. [✂]
6. [✂]

Prohibition of the merger

7. Superdrug did not know the potential impact of prohibiting the merger. Superdrug saw K-Y and Durex personal lubricants as different types of products; K-Y was for women's health and Durex for sexual-enhancement.
8. Superdrug did not know what J&J would do with the K-Y brand in the UK if the merger was prohibited. Superdrug said J&J might lose focus on the K-Y brand, although it was a heritage brand.

Divestment of the K-Y brand

9. Superdrug did not know whether it was possible to sell the K-Y brand to a third party.
10. Superdrug did not know whether a retailer would buy the K-Y brand.
11. Superdrug said the fact that the K-Y brand was well-known gave it value.

12. Superdrug could not say what it might be necessary to sell, beyond the K-Y brand, to make a divestment successful.
13. [✂]
14. Superdrug said that, in its healthcare category, all products were made for the UK. While products might be manufactured abroad, they had packaging fit for UK standards.
15. [✂]
16. [✂]

Licensing of the K-Y brand

17. Superdrug did not have any views on how licensing might compare to divestment of the K-Y brand.
18. Superdrug had no view on the period of time for any licence.
19. [✂]

Behavioural remedies

20. [✂]

Any benefits from the proposed merger

21. [✂]

Sales of Ansell personal lubricants in Superdrug

22. Superdrug was currently selling Ansell personal lubricant products in selected stores. [✂]
23. [✂]
24. [✂]