

REFERENCE RELATING TO THE ANTICIPATED ACQUISITION BY CELESIO AG OF THE SAINSBURY'S PHARMACY BUSINESS

Notice of provisional findings made under Rule 11 of the Competition and Markets Authority rules of procedure for merger, market and special reference groups¹

1. On 29 December 2015, the Competition and Markets Authority (CMA), in exercise of its duty under section 33(1) of the Enterprise Act 2002 (the Act), referred the anticipated acquisition by Celesio AG (Celesio) of Sainsbury's Supermarkets Limited UK Pharmacy Business for further investigation and report by a group of CMA panel members (the inquiry group).

Provisional findings

2. The inquiry group appointed to consider this reference has made the following provisional findings on the statutory questions it has to decide pursuant to section 36(1) of the Act:
 - (a) A relevant merger situation has been created, in that:
 - (i) enterprises carried on by Celesio AG Group (Celesio) will cease to be distinct from enterprises carried on by J Sainsbury's Supermarket Limited UK Pharmacy Business (Sainsbury's); and
 - (ii) the condition specified in section 23(2)(b) of the Act is satisfied with respect to the retail supply of prescription-only medicines, pharmacy medicines and pharmacy services to end-customers in local areas.
 - (b) The creation of that situation may be expected to result in a substantial lessening of competition within 13 local pharmacy markets in the UK.
3. The inquiry group's provisional findings and its reasons are set out in full in the provisional findings report, a copy of which will be published on the CMA website shortly, and are summarised in the summary of the provisional findings report (see note below).

¹ See [Rules of procedure for merger, market and special reference groups \(CMA17\)](#).

The next steps

4. Anyone wishing to comment on the provisional findings is now invited to provide the inquiry group with their reasons in writing as to why these provisional findings should not become final (or, as the case may be, should be varied).
5. These reasons should be received by the Project Manager on behalf of the inquiry group by no later than **5pm on 23 May 2016**.
6. The inquiry group will have regard to any such reasons in making its final decisions on the statutory questions and actions.

(signed) SIMON POLITO

Group Chair

29 April 2016

Note: A copy of this notice, the summary of the provisional findings report and the provisional findings will be placed on the [CMA website](#) on 29 April 2016. The published version of the provisional findings report will not contain any information which the inquiry group considers should be excluded from the report, having regard to the three considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Comments should be made by email to celesio.sainsburys@cma.gsi.gov.uk or write to:

Project Manager
Celesio/Sainsbury's merger inquiry
Competition and Markets Authority
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London
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