EFTA SURVEILLANCE AUTHORITY

CONFIDENTIAL

VIEW

of the representatives of the EFTA States and the EFTA Surveillance Authority

presented at the meeting of the

EC ADVISORY COMMITTEE ON MERGERS

of 16 April 2015

regarding a preliminary draft Commission decision

in Case: **COMP/M.7292 DEMB/Mondelez/Charger OpCo**

Rapporteur : GREECE

Concentration

1. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission that the notified operation constitutes a concentration within the meaning of Article 3(1)b and 3(4) of the Merger Regulation.
2. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission that the notified operation has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

Relevant Markets

3. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission's definitions of the relevant product and geographic markets in the draft Decision.
4. In particular, The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission's conclusions that for the purpose of assessing the proposed concentration:

   4.1. Sales via the in-home and Out-of-Home (OOH) channels form part of separate product markets;

   4.2. Private label and branded coffee products belong to the same product market irrespective of the coffee format;

   4.3. Single-serve coffee machines belong to a different product market than multi-serve coffee machines

4.4. All single-serve coffee machines belong to one differentiated product market

4.5. Roast & Ground (R&G) coffee constitutes a separate product market from other coffee formats

4.6. Instant coffee constitutes a separate product market from other coffee formats.

4.7. N-capsules constitute a separate product markets from other coffee formats.

4.8. Filter pads constitute a separate product market from other coffee formats.

4.9. The relevant geographic scope of all coffee product markets is national.

Competitive Assessment – Horizontal non-coordinated effects

5. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission that the proposed concentration, as originally proposed by the Notifying Parties, is likely to significantly impede effective competition in the internal market or a substantial part thereof in particular as a result of the creation of a dominant position:

   5.1. with respect to the horizontal overlap between the parties' activities on the R&G market in France;

   5.2. with respect to the horizontal overlap between the parties' activities on the R&G market in Denmark;

   5.3. with respect to the horizontal overlap between the parties' activities on the R&G market in Latvia;

   5.4. with respect to the horizontal overlap between the parties' activities on the filter pads market in France

   5.5. with respect to the horizontal overlap between the parties' activities on the filter pads market in Austria.

6. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission's assessment that the notified transaction would <u>not</u> lead to a significant impediment to effective competition :

   6.1. with respect to the horizontal overlap between the parties' activities on single-serve machines markets in Austria, Denmark, France, Germany, the Netherlands, Spain and the United Kingdom;

   6.2. with respect to the horizontal overlap between the parties' activities on the R&G markets in the Czech Republic, Greece, Poland, Bulgaria, Hungary, the Netherlands and Spain;

   6.3. with respect to the horizontal overlap between the parties' activities on the instant coffee markets in the Czech Republic, Denmark, Estonia, Greece, Hungary, Latvia, Lithuania, the Netherlands, Poland, Slovakia, Spain or the United Kingdom;

   6.4. with respect to the horizontal overlap between the parties' activities on the filter pads markets in Germany and the Netherlands;

   6.5. with respect to the horizontal overlap between the parties' activities on the OOH markets in Denmark, Germany, Sweden and the United Kingdom.

Remedy

7. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission that **the commitments are sufficient** to remove the concerns raised by the proposed concentration as to its compatibility with the internal market or a substantial part thereof:

   7.1. with respect to the horizontal overlap between the parties' activities on the R&G market in France;

   7.2. with respect to the horizontal overlap between the parties' activities on the R&G market in Denmark;

   7.3. with respect to the horizontal overlap between the parties' activities on the R&G market in Latvia;

   7.4. with respect to the horizontal overlap between the parties' activities on the filter pads market in France.

   7.5. with respect to the horizontal overlap between the parties' activities on the filter pads market in Austria.

Compatibility with the internal market

8. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission that, subject to full compliance with the commitments offered by the parties, and all commitments considered together, the proposed concentration **is unlikely to significantly impede effective competition** in the internal market or in a substantial part thereof.

9. The representatives of the EFTA States and the EFTA Surveillance Authority agree with the Commission's view that the proposed concentration **should be declared compatible** with the internal market and the EEA Agreement in accordance with Articles 2(2) and 8(2) of the Merger Regulation and Article 57 of the EEA Agreement.

ISLAND	LIECHTENSTEIN	NORGE
.....	.....	.....

EFTA SURVEILLANCE AUTHORITY

Egill Olafsson

Egill Olafsson