

## **COMPLETED MERGER BETWEEN STONEGATE FARMERS LIMITED AND DEANS FOOD GROUP LIMITED**

### **Consent to Noble Foods, Clifford Kent, Stonegate, Deans, Mr Peter Dean and Mr Michael Kent for certain action in relation to information**

On 13 September 2006, the Office of Fair Trading made the reference to the Competition Commission (the CC) under section 22 of the Enterprise Act 2002 (the Act) concerning the completed merger between Stonegate Farmers Limited and Deans Food Group Limited through Noble Foods Limited.

On 20 November 2006, the CC accepted Interim Undertakings from Noble Foods, Clifford Kent, Stonegate, Deans, Mr Peter Dean and Mr Michael Kent pursuant to section 80 of the Act, for the purpose of ensuring that no action is taken pending the determination of the reference which might prejudice that reference or impede the taking of any action by the CC under Part 3 of the Act (the Undertakings).

On 20 April 2007, the CC published its final report under section 38 of the Act entitled *Clifford Kent Holdings Limited and Deans Food Group Limited: A report on the completed merger of Clifford Kent Holdings Limited, parent company of Stonegate Farmers Limited and Deans Food Group Limited* (the report) and has decided that there is an anti-competitive outcome (within the meaning given by section 35(2)(a) of the Act) and that action should be taken by it under section 41(2) of the Act.

The Undertakings are still in force.

The reference has not been finally determined in accordance with section 79(1) of the Act.

Now therefore in order to assist in implementing the remedies identified by the CC in its report for the purpose of addressing the substantial lessening of competition and adverse effects identified in the report and in accordance with and without prejudice to the generality of paragraphs 1 and 2 of the Undertakings the CC gives the following consent:

#### **Consent to transfer Additional Specified Information**

1. Certain additional information as set out below may be treated as Specified Information as defined in the Undertakings (the "Additional Specified Information") which may be transferred in accordance with paragraph 6 and Annex II of the Undertakings.

2. The provisions of paragraph 6 of the Undertakings apply to the Additional Specified Information as if it were Specified Information and, in particular, the following conditions will apply:

- (a) The Additional Specified Information shall be prepared by Stonegate and transferred only to Mr Mark Stott;
- (b) The Additional Specified Information will be used by Mr Mark Stott solely for the purposes of preparing documents including an Information Memorandum to enable the sale of Stonegate;

- (c) Any documents prepared using the Additional Specified Information shall be submitted to the CC in advance of being disseminated to the directors of Noble Foods or its bankers or any other of its agents;
  - (d) The Additional Specified Information will not be disseminated or otherwise used within Noble Foods and Mr Mark Stott will give a suitable confidentiality undertaking to the CC in this respect;
  - (e) Mr Michael Kent and Mr Peter Dean will not have access to the Additional Specified Information without the prior consent of the CC.
3. Additional Specified Information shall mean the following information in relation to the Stonegate business:
- (a) Forecasts by month for Profit and Loss, balance sheet and cashflow for the periods to September 2009 set out in the same format as in Annex II to the Undertakings;
  - (b) Volumes, average price and average egg cost assumptions underpinning the forecasts referred to in paragraph 3(a) above;
  - (c) Volumes, average price and average egg cost assumptions for the year to date; and
  - (d) Other costs for the year to date and rest of year periods divided into production costs, distribution costs, marketing expenses and central costs.

*Barbara Mills*

Barbara Mills  
Group Chair  
6 June 2007